

A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form base shelf prospectus is obtained from the securities regulatory authorities.

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons authorized to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), or any state securities laws. Accordingly, these securities may not be offered or sold to, or for the account or benefit of, persons in the “United States” (as such term is defined in Regulation S under the 1933 Act (“**Regulation S**”)) or “U.S. Persons” (as such term is defined in Regulation S) except in compliance with exemptions from the registration requirements of the 1933 Act and applicable state securities laws. This preliminary short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby to, or for the account or benefit of, persons in the United States or U.S. Persons. See “Plan of Distribution”.*

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Critical Elements Lithium Corporation at 1080, Côte du Beaver Hall, suite 2101, Montréal, Québec, H2Z 1S8, telephone: 514 904-1496 and are also available electronically at www.sedar.com.

PRELIMINARY SHORT FORM PROSPECTUS

New Issue

November 10, 2021



CRITICAL ELEMENTS LITHIUM CORPORATION

\$26,101,250
14,915,000 Units

PRICE: \$1.75 per Unit

This preliminary short form prospectus (the “**Prospectus**”) qualifies the distribution of 14,915,000 units (the “**Units**”) of Critical Elements Lithium Corporation (the “**Corporation**”), at a price of \$1.75 per Unit (the “**Offering Price**”) for aggregate gross proceeds of \$26,101,250 (the “**Offering**”). Each Unit comprises one common share in the capital of the Corporation (each, a “**Common Share**” and, collectively, the “**Common Shares**”, and, as the context requires, a “**Unit Share**” and, collectively, the “**Unit Shares**”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**” and, collectively, the “**Warrants**”).

The Warrants will be governed by the terms of a warrant indenture (the “**Warrant Indenture**”) to be entered into on the closing date of the Offering (the “**Closing Date**”) between the Corporation and Computershare Trust Company of Canada (“**Computershare**”), as warrant agent. Each Warrant will entitle the holder thereof to purchase one Common Share (a “**Warrant Share**”) at an exercise price equal to \$2.50 (the “**Exercise Price**”) for a period of 24 months following the Closing Date. See “*Description of Securities Being Distributed*”.

The Offering is being made pursuant to an underwriting agreement (the “**Underwriting Agreement**”) dated as of November 10, 2021 between the Corporation, Cantor Fitzgerald Canada Corporation and Stifel Nicolaus Canada Inc. as co-lead underwriters (the “**Lead Underwriters**”), Paradigm Capital Inc., Beacon Securities Limited and Red Cloud Securities Inc. (collectively, with the Lead Underwriters, the “**Underwriters**”). The terms of the Offering were determined by arm’s length negotiation between the Corporation and the Underwriters in the context of the market. See “*Plan of Distribution*”.

The Corporation's outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange ("TSXV") under the symbol "CRE", on the OTCQX under the symbol "CRECF" and on the Frankfurt Exchange under the symbol "F12". On November 9, 2021, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSXV was \$1.82 and on the OTCQX was US\$1.47.

	Price to the Public⁽¹⁾	Underwriters' Fee⁽²⁾	Net Proceeds to the Corporation⁽³⁾
Per Unit.....	\$1.75	\$0.105	\$1.645
Total ⁽⁴⁾	\$26,101,250	\$1,461,075 ⁽⁵⁾	\$24,640,175 ⁽⁵⁾

- (1) The Offering Price was determined by arm's length negotiation between the Corporation and the Lead Underwriters.
- (2) The Corporation has agreed to pay to the Underwriters a cash commission equal to 6.0% of the gross proceeds of the Offering (the "Underwriters' Commission") (including in respect of any Additional Units (as defined below)). The Corporation has also agreed to issue to the Underwriters as additional consideration, that number of non-transferable broker warrants (the "Broker Warrants") as is equal to 6.0% of the Units sold pursuant to the Offering. Each Broker Warrant is exercisable to purchase one Unit at the Offering Price for a period of 24 months from the Closing Date. Notwithstanding the foregoing, a reduced Underwriters' Commission of 3.0% in cash is payable in respect of Units sold to certain purchasers designated by the Corporation on the president's list (the "President's List"). This Prospectus also qualifies the distribution of the Broker Warrants. See "Plan of Distribution".
- (3) Taking into account the Underwriters' Commission which will be paid out of the gross proceeds of the Offering, but before deducting the expenses of the Offering (estimated to be \$500,000), which will be paid out of the gross proceeds of the Offering.
- (4) The Corporation has granted to the Underwriters an option (the "Over-Allotment Option") to purchase from the Corporation up to an aggregate of 2,237,250 additional Units (the "Additional Units"), being 15% of the initial number of Units to be sold pursuant to the Offering, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option is exercisable in whole or in part at any time and from time to time up to 30 days after the date of Closing (as defined below). The Over-Allotment Option may be exercised by the Underwriters in respect of: (i) Additional Units at the Offering Price; (ii) additional Unit Shares (the "Additional Shares") at a price of \$1.65 per Additional Share; (iii) additional Warrants (the "Additional Warrants" and together with the Additional Units and the Additional Shares, the "Additional Securities") at a price of \$0.20 per Additional Warrant; or (iv) any combination of Additional Shares and/or Additional Warrants, so long as the aggregate number of Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 2,237,250 Additional Shares and 1,118,625 Additional Warrants. If the Over-Allotment Option is exercised in full and assuming that \$3,500,000 of Units are sold to certain investors on the President's List, the total "Price to the Public", the "Underwriters' Commission" and the "Net Proceeds" to the Corporation (after deducting the Underwriters' Commission but before deducting the expenses of the Offering which are estimated to be approximately \$500,000) will be \$30,016,437.50, \$1,695,986.25 and \$28,320,451.20, respectively. This short form prospectus qualifies the grant of the Over-Allotment Option and Additional Securities, if any, and the issuance and sale of the Additional Units upon exercise of the Over-Allotment Option. A purchaser who acquires Additional Units that form part of the Underwriters' over-allocation position acquires those securities under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. Unless the context otherwise requires, references to Units in this short form prospectus include the Additional Units and Units issuable on exercise of the Broker Warrants, references to Unit Shares include Additional Shares and Unit Shares forming part of the Units issuable on exercise of the Broker Warrants, and reference to Warrants includes Additional Warrants and Warrants forming part of the Units issuable on exercise of the Broker Warrants. See "Plan of Distribution".
- (5) Calculations in the table above and in this Prospectus account for anticipated sales to the President's List for aggregate proceeds of up to \$3,500,000. The Underwriters' Commission in respect of the President's List is \$0.053 per Unit and the net proceeds to the Corporation is \$1.697 per Unit.

The following table sets out the securities that may be issued by the Corporation pursuant to the Broker Warrants and the Over-Allotment Option:

Underwriters' Position	Maximum size or number of securities	Exercise period	Exercise price
Broker Warrants ⁽¹⁾	Up to 1,029,135 Broker Warrants ⁽²⁾	24 months from Closing Date	\$1.75 per Broker Warrant
Over-Allotment Option	Up to 2,237,250 Additional Units ⁽²⁾	30 days from Closing	\$1.75 per Additional Unit

Notes:

1. This Prospectus qualifies the distribution of the Broker Warrants. See "Plan of Distribution".
2. Assuming the Over-Allotment Option is exercised in full. May consist of any combination of Additional Securities not exceeding 2,237,250 Additional Shares and 1,118,625 Additional Warrants.

Certain legal matters in connection with the Offering are being reviewed on behalf of the Corporation by Fasken Martineau DuMoulin LLP and on behalf of the Underwriters by Bennett Jones LLP.

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

The Corporation has applied to list the Unit Shares and the Warrant Shares on the TSXV. Listing will be subject to the Corporation fulfilling all of the requirements of the TSXV.

Subscriptions for the Units will be received subject to rejection or allotment, in whole or in part, and the Underwriters reserves the right to close the subscription books at any time without notice. The Closing Date of the Offering is expected to take place on or about November 25, 2021, or such other date as may be agreed upon by the Corporation and the Underwriters.

Subject to certain limited exceptions, no certificates evidencing the Units will be issued. Instead, the Units sold pursuant to the Offering will be issued in electronic form to CDS Clearing and Depository Services Inc. (“CDS”) or its nominees (subject to certain limited exceptions). Subject to certain limited exceptions, a purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS participant. CDS will record the CDS participants who hold Units on behalf of owners who have purchased Units in accordance with the book-based system. Except in certain limited circumstances, a purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. No definitive certificates will be issued unless specifically requested or required. See “*Plan of Distribution*”.

An investment in the securities of the Corporation is highly speculative and involves significant risks that should be carefully considered by prospective investors before purchasing such securities. The risks outlined in this Prospectus and in the documents incorporated by reference herein should be carefully reviewed and considered by prospective investors in connection with an investment in such securities. See “*Risk Factors*” and “*Forward Looking Statements*”. Potential investors are advised to consult their own legal counsel and other professional advisers in order to assess income tax, legal and other aspects of this investment.

Investors should rely only on the information contained or incorporated by reference in this Prospectus. The Corporation and the Underwriters have not authorized anyone to provide investors with information different from that contained or incorporated by reference in this Prospectus. Readers should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the cover page of this Prospectus. Investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Units, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Units.

Each of Dr. Steffen Haber, President and Director, Mr. Matthew Lauriston Starnes and Dr. Marcus Brune, Directors of the Corporation, resides outside of Canada and has the Corporation as agent for service of process at 1080, Côte du Beaver Hall, suite 2101, Montreal, Québec, H2Z 1S8. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an Underwriters for service of process.

The Corporation’s head office is located at 1080, Côte du Beaver Hall, suite 2101, Montreal, Québec, H2Z 1S8.

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GENERAL MATTERS

Prospective purchasers should rely only on information contained or incorporated by reference in this Prospectus as at its date, regardless of its time of delivery or of any sale of Units. Neither the Corporation nor the Underwriters have authorized any other person to provide prospective purchasers with additional or different information. If a prospective purchaser is provided with additional, different or inconsistent information, the prospective purchaser should not rely on such information. The information contained on the Corporation's website is not a part of this Prospectus and is not incorporated by reference into this Prospectus despite any references to such information in this Prospectus or the documents incorporated by reference, and prospective investors should not rely on such information when deciding whether or not to invest in the Units. Other than this Prospectus in electronic format, the information on the Underwriters' websites and any information contained in any other website maintained by the Underwriters or their affiliates is not part of this Prospectus, has not been approved or endorsed by the Corporation or the Underwriters and should not be relied upon by prospective purchasers.

Neither the Corporation nor the Underwriters are making an offer to sell in any jurisdiction where the offer or sale is not permitted. Readers should rely only on the information contained in or incorporated by reference in this Prospectus. The information contained or incorporated by reference in this Prospectus is accurate only as of the date of this Prospectus (or the date of the document incorporated by reference herein, as applicable), regardless of the time of delivery of this Prospectus or any sale of the Units. The business, financial condition, results of operations and prospects of the Corporation may have changed since those dates. The Corporation does not undertake to update the information contained or incorporated by reference herein, except as required by applicable Canadian securities laws.

This Prospectus shall not be used by anyone for any purpose other than in connection with the Offering.

Unless the context otherwise requires, any references in this Prospectus to the "Corporation" or "CRE" refer to Critical Elements Lithium Corporation.

The Prospectus and the documents incorporated by reference herein contain references to the Canadian dollar. Unless otherwise indicated in the Prospectus and the documents incorporated by reference herein, all references to "\$", "CAD\$" or "dollars" refer to Canadian dollars.

The Corporation's financial statements that are incorporated by reference into the Prospectus have been prepared in accordance with International Financial Reporting Standards and are presented in Canadian dollars.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The Prospectus, including the documents incorporated by reference herein, contain "forward-looking statements" and "forward-looking information" within the meaning of applicable law. Generally, forward-looking statements and forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements included in this Prospectus include, without limitation, statements with respect to:

- statements with respect to the Offering;
- the timing and closing of the Offering;
- the satisfaction of the conditions to closing of the Offering, including the receipt, in a timely manner, of regulatory and other required approvals;
- the use of proceeds of the Offering;
- mineral exploration, development;
- estimates of mineral resources;
- the future price of lithium;
- the COVID-19 outbreak and other health crisis;
- government regulations;
- the maintenance or renewal of any permits or mineral tenures;
- estimates of reclamation obligations;

- requirements for additional capital;
- environmental risks;
- general business and economic conditions;
- the ability to conduct additional metallurgical test-work and the timing and results thereof;
- project development and permitting as well as environmental assessments and protection requirements;
- the Corporation's plans with respect to the continued development of its Rose Property (as defined below); and
- the ability to carry out any strategic business plans and strategies with respect to the continued growth of the Corporation.

The forward-looking information contained in this Prospectus and the documents incorporated by reference herein is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from any future results, performance or achievement expressed or implied by such forward-looking information, including:

- risks associated with mineral exploration and development operations such as environmental hazards and economic factors as they affect the cost and success of the Corporation's capital expenditures;
- the ability of the Corporation to obtain required permits and approvals;
- the ability of the Corporation to obtain financing;
- uncertainty in the estimation of mineral resources and mineral reserves;
- the price of lithium;
- no operating history;
- no operating revenue and negative cash flow;
- land title risk;
- the market price of the Corporation's securities;
- the economic feasibility of the Corporation's mineral resources and the Corporation's commercial viability;
- uncertain global economic conditions;
- the COVID-19 outbreak and other health crisis;
- dependence on management and other highly skilled personnel;
- title to the Corporation's mineral properties;
- extensive government and environmental regulation;
- volatility in the financial markets;
- uninsured risks;
- threat of legal proceedings;
- unforeseen liabilities from past acquisitions; and
- those risk factors discussed or referred to in this Prospectus under the heading "*Risk Factors*".

The forward-looking information contained in this Prospectus and the documents incorporated by reference herein is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although the Corporation believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Corporation can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions identified in this Prospectus, assumptions have been made regarding, among other things: the Corporation's ability to carry on its exploration and development activities without undue delays or unbudgeted costs, the ability of the Corporation to obtain sufficient qualified personnel, equipment and services in a timely and cost-effective manner, the ability of the Corporation to operate in a safe, efficient and effective manner, the ability of the Corporation to obtain all necessary financing on acceptable terms and when needed, the accuracy of the Corporation's resource estimates and geological, operational and price assumptions on which these are based and the continuance of the regulatory framework regarding environmental matters. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used.

Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual

results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information contained in this Prospectus, and the documents incorporated by reference herein, is expressly qualified by this cautionary statement.

The forward-looking statements are made as of the date such statements are made and, except as required by applicable securities laws, the Corporation assumes no obligation to publicly update or revise any forward-looking statements and readers should also carefully consider the matters discussed under the heading “*Risk Factors*” in this Prospectus, the section “*Description of the Business – Risk Factors*” in the Corporation’s AIF (as defined below) and the documents incorporated by reference herein.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference are available electronically at www.sedar.com under the Corporation’s issuer profile, and may also be obtained on request without charge from the Chief Financial Officer of the Corporation at 1080, Côte du Beaver Hall, suite 2101, Montreal, Québec, H2Z 1S8, telephone: 1-514-904-1496. The filings of the Corporation through the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) are not incorporated by reference in the Prospectus except as specifically set out herein.

The following documents of the Corporation are specifically incorporated by reference into and form an integral part of this Prospectus:

- (a) the audited annual financial statements as at and for the years ended August 31, 2020 and August 31, 2019, together with the notes thereto and the independent auditors’ report thereon (the “**Audited Annual Financial Statements**”);
- (b) the management’s discussion and analysis (“**MD&A**”) of the Corporation for the year ended August 31, 2020;
- (c) the unaudited condensed interim financial statements as at and for the nine-month period ended May 31, 2021 and May 31, 2020 (the “**Interim Financial Statements**”);
- (d) the MD&A of the Corporation for the nine-month period ended May 31, 2021 (the “**Interim MD&A**”);
- (e) the material change report dated January 22, 2021 in connection with the Corporation’s bought deal private placement offering of 9,091,000 units for gross proceeds of \$10,000,100 (“**February 2021 Private Placement**”);
- (f) the material change report dated January 25, 2021 in connection with the upsized of the February 2021 Private Placement to 13,636,400 units for gross proceeds of \$15,000,040;
- (g) the material change report dated February 12, 2021 in connection with the Corporation’s closing of February 2021 Private Placement;
- (h) the Annual Information Form (the “**AIF**”) dated August 3, 2021 for the fiscal year ended August 31, 2020;
- (i) the Management Information Circular dated August 12, 2021, prepared in connection with the annual general and special meeting of shareholders of the Corporation held on September 16, 2021;
- (j) the template version of the indicative term sheet for the Offering dated November 4, 2021; and
- (k) the material change report dated November 5, 2021 in connection with the Offering.

Any AIF, annual or interim financial statements and related MD&As, material change report (other than a confidential material change report), business acquisition report, information circular or any other disclosure documents required to be incorporated by reference herein under National Instrument 44-101 - *Short Form Prospectus Distributions* (“**NI**

44-101”) filed by the Corporation with any securities commission or similar regulatory authority in Canada subsequent to the date of this Prospectus and prior to the termination of the Offering shall be deemed to be incorporated by reference into this Prospectus, as well as any other document so filed by the Corporation which expressly states it to be incorporated by reference into this Prospectus.

Any statement contained in the Prospectus or in a document (or part thereof) incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of the Prospectus, to the extent that a statement contained in the Prospectus or in any subsequently filed document (or part thereof) that also is, or is deemed to be, incorporated by reference in the Prospectus modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of the Prospectus. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be considered in its unmodified or superseded form to constitute part of the Prospectus; rather, only such statement as so modified or superseded shall be considered to constitute part of the Prospectus.

MARKETING MATERIALS

Any “template version” of any “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*), that are utilized by the Underwriters in connection with the Offering are not part of this Prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus. Any template version of any marketing materials that has been, or will be, filed on SEDAR before the termination of the distribution of the Units under this Prospectus (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated into this Prospectus.

THE CORPORATION

Name and Incorporation

The Corporation was incorporated on September 11, 2006 pursuant to the *Canada Business Corporations Act* under the name “First Gold Exploration Inc.”. The Corporation is a mining exploration company operating in Canada. On February 10, 2011, the Corporation filed articles of amendment in order to change its name to “Critical Elements Corporation/Corporation Éléments Critiques”. On June 11, 2019, the Corporation changed its name to “Critical Elements Lithium Corporation/Corporation Lithium Éléments Critiques”. The Corporation’s head office is located at 1080, Côte du Beaver Hall, suite 2101, Montreal, Québec, H2Z 1S8.

General Business Activities

Critical Elements Lithium Corporation is a mining company at an advanced stage of exploration. The Corporation's flagship project is the Rose Lithium-Tantalum property (the “**Rose Property**”) located in Eeyou Istchee, Baie-James, Québec. The Corporation’s objective is to bring the Rose Property into production in order to supply the global lithium battery market with lithium and the electronic capacitor market with tantalum and thus contribute to greener energies. CRE is focused on achieving this vision with minimal environmental impact by leveraging low carbon electricity available through Québec’s established power grid and cooperating with the Cree Nation of Eastmain and other local Cree Nation communities, with whom relationships have been publicly formalized.

More detailed information regarding the business of the Corporation as well as its operations, assets, and the Rose Property can be found in the AIF and other documents incorporated by reference herein, as supplemented by the disclosure herein. See “*Documents Incorporated by Reference*”.

Recent Developments

On August 10, 2021, the Minister of Environment and Climate Change of the government of Canada (the “**Minister**”) has rendered a favorable decision in respect of the proposed Rose Property. In a statement (the “**Decision Statement**”), which includes the conditions to be complied with by the Corporation, the Minister confirms that the Rose Property is not likely to cause significant adverse environmental effects when mitigation measures are taken into account. This marks an important development for the Rose Property. The final significant regulatory approval for the Rose Property is the completion of the provincial permitting process, which runs parallel to the federal process. Pursuant to the James Bay and Northern Quebec Agreement (JBNQA), the provincial environmental assessment is conducted jointly by the Cree Nation Government and the Government of Quebec under the Environmental and Social Impact Review Committee. Pursuant to the *Canadian Environmental Assessment Act*, 2012, an environmental assessment of the Rose Property was conducted by a Joint Assessment Committee (the “**Committee**”), formed by the Impact Assessment Agency of Canada and the Cree Nation Government. This is the first environmental assessment prepared jointly by the federal government and the Cree Nation Government. The Committee took into account comments received during consultations with the Eastmain, Nemaska, Waskaganish and Waswanipi Cree Nations and the general public, as well as technical advice from various government departments and agencies. The Corporation filed its environmental impact assessment for the Rose Property in August 2017. Throughout the assessment process, the Corporation has provided the competent authorities with various additional information to enable them to complete their analysis. In order to take into account the circumstances arising from the COVID-19 pandemic and its impacts on the Cree communities consulted, the deadline for issuing the declaration of decision for the Rose Property was extended by the Minister and the Decision Statement was finally made public in August 2021.

CONSOLIDATED CAPITALIZATION

The following summarizes the changes in the Corporation’s consolidated capitalization as at May 31, 2021, the last day of the Corporation’s most recently completed fiscal period in respect of which financial statements have been filed, as well as after giving effect to the Offering. Since May 31, 2021, there have been no material changes to the Corporation’s share and loan capitalization on a consolidated basis, other than as described herein. The following table should be read in conjunction with the Interim Financial Statements and Interim MD&A incorporated by reference in this Prospectus.

Description of Capital	Outstanding as at May 31, 2021 ⁽¹⁾	Outstanding as at May 31, 2021 after giving effect to the Offering ^{(2) (3)}	Outstanding as at May 31, 2021 after giving effect to the Over-Allotment Option ^{(2) (3)(4)}
Common Shares	183,115,262	202,095,113	204,332,363
Options	6,900,000	3,220,000	3,220,000
Warrants	11,492,706	18,531,855	19,616,980
Broker Warrants	809,868	1,704,768	1,839,003

Notes:

- (1) As at May 31, 2021, the Corporation had outstanding (i) 6,900,000 stock options that could result in the issuance of up to 6,900,000 additional Common Shares; and (ii) 11,492,706 Warrants that could result in the issuance of up to 11,492,706 additional Common Shares.
- (2) Between June 1, 2021 and the date of this Prospectus, an aggregate of (i) 384,851 Common Shares were issued upon exercise of 384,851 Warrants; and (ii) 3,680,000 Common Shares were issued upon exercise of 3,680,000 stock options. See “Prior Sales”.
- (3) Assuming 14,915,000 Units are issued.
- (4) Assuming the issuance of 2,237,250 Additional Shares and 1,118,625 Additional Warrants, pursuant to the Over-Allotment Option.

USE OF PROCEEDS

The net proceeds to be received by the Corporation from the Offering after deducting the Underwriters’ Commission of \$1,461,075 (assuming President’s List purchases of \$3,500,000), and the estimated expenses of the Offering to be borne by the Corporation, estimated to be \$500,000, will be approximately \$24,140,175. If the Over-Allotment Option is exercised in full, the net proceeds to be received by the Corporation from the sale of the Additional Units, after deducting the Underwriters’ Commission of \$234,911.25 in relation therewith, and the estimated incremental expenses of the offering of the Additional Units to be borne by the Corporation, estimated to be \$25,000, will be approximately \$3,655,276.65.

The vast majority of the net proceeds will be used by the Corporation to fund development of the Rose Property and also for general corporate purposes. The table below sets out the intended use of the net proceeds of the Offering:

Purpose	Intended use of the Net Proceeds of the Offering ⁽²⁾	Intended use of the Net Proceeds of the Offering, including the Over-Allotment Option ⁽³⁾
Development of the Rose Property:		
Mill design		
- Front end engineering (FEED)	\$2,200,000	\$ 2,200,000
- Detailed design	\$7,500,000	\$7,500,000
Infrastructure		
- Front end engineering (FEED)	\$500,000	\$500,000
- Detailed design	\$5,500,000	\$5,500,000
Waste/tailings storage facility		
- Detailed design	\$500,000	\$500,000
Open pit		
- Pit detailed design	\$500,000	\$500,000
Owner's team	\$1,500,000	\$1,500,000
Pihkuutaau Agreement ⁽¹⁾	\$700,000	\$700,000
Environment commitments	\$2,000,000	\$2,000,000
Estimated 12-month general & administrative expenses	\$3,000,000	\$3,000,000
Unallocated amount	\$240,175	\$3,895,451.20
Total:	\$24,140,175	\$27,795,451.20

Notes:

- (1) Impact and Benefit Agreement dated July 8, 2019 with the Corporation and the Pihkuutaau First Nation, more information can be found in the AIF. See “*Documents Incorporated by Reference*”.
- (2) Assuming the Over-Allotment Option is not exercised.
- (3) Assuming the Over-Allotment Options is exercised in full.

As of October 31, 2021 the Corporation had \$8,184,00 cash on hand and a working capital balance of \$9,491,493. The proceeds of the Offering, together with the available cash on hand, are expected to fund the business and operations of the Corporation, including the milestones to be achieved through the use of proceeds through December 31, 2022.

While the Corporation currently anticipates that it will use the net proceeds of the Offering as set forth above, the Corporation may re-allocate the net proceeds of the Offering, as applicable from time to time, giving consideration to its strategy relative to the market, development and changes in the industry and regulatory landscape, as well as other conditions relevant at the applicable time. Until utilized, the net proceeds of the Offering will be held in cash balances in the Corporation's bank account or invested at the discretion of the Board of Directors of the Corporation. Management will have discretion concerning the use of the net proceeds of the Offering, as well as the timing of their expenditure. See “*Risk Factors*”.

The Corporation has a history of negative operating cash flow, as disclosed in the Corporation's financial statements. The Corporation does not currently intend to use the proceeds of the Offering to fund any anticipated negative cash flow from operating activities in future periods. See “*Risk Factors*”.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated November 10, 2021 between the Corporation and the Underwriters, as underwriters, the Corporation has agreed to sell and the Underwriters have agreed to purchase on the Closing Date, 14,915,000 Units at the Offering Price, for aggregate gross consideration of \$26,101,250 (assuming no exercise of the Over-Allotment Option), payable in cash to the Corporation against delivery of the Units. The obligations of the Underwriters under the Underwriting Agreement are subject to certain closing conditions and may be terminated at its discretion on the basis of “disaster out”, “regulatory out” and “material adverse change out” clauses exercisable until the Closing Date and may also be terminated upon the occurrence of certain other stated events. The Underwriters are, however, obligated to take up and pay for all of the securities if any of the securities are purchased under the Underwriting Agreement.

The Offering Price was determined by arm's length negotiation between the Corporation and the Lead Underwriters with reference to the prevailing market price of the Common Shares. **The terms of the Offering and the prices of the Units have been determined by negotiation between the Corporation and the Underwriters.**

The Corporation has agreed to the Over-Allotment Option, exercisable in whole or in part, in the sole discretion of the Underwriters, at any time, and from time to time, until the Over-Allotment Deadline, of up to 2,237,250 Additional Units (being approximately 15% of the Units offered pursuant to the Offering) at the Offering Price. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of any Additional Units. A purchaser who acquires Additional Units forming part of the Underwriters' over allocation position acquires those Additional Units under this Prospectus, regardless of whether the over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full and assuming that \$3,500,000 of Units are sold to certain investors on the President's List, the total gross proceeds, the Underwriters' Commission and the net proceeds to the Corporation (after deducting the Underwriters' Commission but before deducting the expenses of the Offering which are estimated to be approximately \$500,000) will be \$30,016,437.50, \$1,695,986.25 and \$28,320,451.20, respectively.

The Underwriting Agreement provides that the Corporation will pay, on closing of the Offering, the Underwriters' Commission equal to 6.0% of gross proceeds raised in respect of the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option). Notwithstanding the foregoing, a reduced Underwriters' Commission of 3.0% in cash is payable in respect of Units sold to the "President's List". The aggregate Underwriters' Commission payable to the Underwriters by the Corporation in consideration for its services in connection with the Offering is expected to be \$1,695,986.25 if the Over-Allotment Option is fully exercised. This Prospectus also qualifies the distribution of the Broker Warrants. As additional consideration for the services rendered in connection with the Offering, the Corporation has agreed to issue to the Underwriters such number of Broker Warrants as is equal to 6.0% of the Units sold pursuant to the Offering. Each Broker Warrant will entitle the holder thereof to acquire one Unit at the Offering Price for a period of 24 months following the Closing Date. This Prospectus also qualifies for the distribution of the Broker Warrants.

The Offering is being made in each of the provinces of Canada. The Units will be offered through the Underwriters or their affiliates who are registered to offer the Units for sale in such provinces and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Units to, or for the account or benefit of, persons in the United States and U.S. Persons and in such other jurisdictions outside of Canada and the United States as agreed between the Corporation and the Underwriters.

The Corporation has applied to list the Unit Shares and the Warrant Shares on the TSXV. Listing will be subject to the Corporation fulfilling all of the requirements of the TSXV. The Warrants will not be listed on any exchange.

Under the Underwriting Agreement, the Corporation has agreed to indemnify and hold harmless each of the Underwriters and their affiliates and subsidiaries, and each Selling Firm (as defined therein), and their respective directors, officers, partners, agents, employees, and each other person, if any, controlling the Underwriters or their subsidiaries and affiliates against certain liabilities, including civil liabilities under Canadian securities legislation, and to contribute to payments the Underwriters may be required to make in respect thereof.

The Offering is being made in each of the provinces of Canada. The Units, Unit Shares, Warrants and Warrant Shares have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, a person in the United States or a U.S. Person, except pursuant to an exemption from the registration requirements of the 1933 Act and applicable state securities laws. Accordingly, the Underwriters have agreed that they will not offer, sell or deliver the Units, Unit Shares or Warrants to, or for the account or benefit of, persons in the United States or U.S. Persons except in certain transactions exempt from the registration requirements of the 1933 Act and applicable state securities laws.

Each Underwriter has agreed that, except as agreed to between the Corporation and the Underwriters and as expressly permitted by applicable laws of the United States, it will not offer or sell the Units at any time to, or for the account or benefit of, a person in the United States or a U.S. Person as part of its distribution. The Underwriters, acting through one or more of their United States registered broker-dealer affiliates, are permitted to (i) re-offer and re-sell the Units

that they have acquired pursuant to the Underwriting Agreement to, or for the account or benefit of, persons in the United States and U.S. Persons that are “qualified institutional buyers”, as such term is defined in Rule 144A under the 1933 Act, in compliance with Rule 144A under the 1933 Act, and (ii) to offer the Units for sale by the Corporation to, or for the account or benefit of, persons in the United States and U.S. Persons that are “accredited investors”, as such term is defined in Rule 501(a) of Regulation D under the 1933 Act (“**U.S. Accredited Investors**”), as substituted purchasers, in compliance with Rule 506(b) of Regulation D under the 1933 Act, and in each case pursuant to similar exemptions under applicable state securities laws. Moreover, the Underwriters will otherwise offer and sell the Units outside the United States to non-U.S. Persons in compliance with Rule 903 of Regulation S under the 1933 Act. The Units that are sold to, or for the account or benefit of, persons in the United States and U.S. Persons will be “restricted securities” within the meaning of Rule 144 under the 1933 Act and will be subject to restrictions to the effect that such securities have not been registered under the 1933 Act or applicable state securities laws, and may only be offered, sold or otherwise transferred pursuant to certain exemptions from the registration requirements of the 1933 Act and applicable state securities laws.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities to, or for the account or benefit of, a person in the United States or a U.S. Person. In addition, until 40 days after commencement of the Offering, an offer or sale of the Units, Unit Shares and Warrants within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the 1933 Act unless such offer or sale is made pursuant to an exemption from registration requirements of the 1933 Act and similar exemptions under applicable state securities laws.

The Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares issuable upon exercise of the Warrants be registered or delivered to an address in the United States, unless an exemption from the registration requirements of the 1933 Act and any applicable U.S. state securities laws is available and the Corporation has received an opinion of counsel of recognized standing or such other evidence to such effect in form and substance satisfactory to the Corporation; provided, however, that a holder who purchased Units in the Offering to, or for the account or benefit of, persons in the United States or U.S. Persons will not be required to deliver an opinion of counsel in connection with the exercise of Unit Warrants that are a part of those Units.

The Underwriters propose to offer the Units to the public initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Units at the Offering Price, the offering price for the Units may be decreased and may be further changed from time to time to amounts not greater than the Offering Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers of the Units is less than the amount paid by the Underwriters to the Corporation. Any such reduction will not affect the net proceeds received by the Corporation.

Pursuant to the terms of the Underwriting Agreement, the Corporation has agreed to reimburse the Underwriters for certain expenses incurred in connection with the Offering and to indemnify the Underwriters and any of their affiliates and each of their directors, officers, employees and securityholders against certain liabilities and expenses and to contribute to payments the Underwriters may be required to make in respect thereof.

The Corporation has agreed, pursuant to the Underwriting Agreement, that, from the date of the Underwriting Agreement and ending on the date that is 90 days following the Closing Date, it will not, without the prior written consent of the Lead Underwriters (such consent not to be unreasonably withheld or delayed), issue, or agree to issue, any Common Shares or securities convertible into Common Shares other than in connection with: (i) the grant or exercise of securities under the Corporation’s option plan; (ii) rights or obligations under securities or other financial instruments existing as of the date hereof; and (iii) the issuance of securities in connection with property or share acquisitions.

Pursuant to the terms of the Underwriting Agreement, the Corporation’s directors and officers will enter into lock-up agreements evidencing their agreement to not, without the consent of the Underwriters, which consent shall not be unreasonably withheld or delayed, offer, sell, or resell (or announce any intention to do so) any securities of the Corporation held by them or agree to or announce any such offer or sale for a period of 90 days following the Closing Date, other than in connection with a third party take-over bid made to all holders of Common Shares or a similar

business combination transaction and other than securities sold to satisfy tax obligations on the exercise of convertible securities of the Corporation held by such person.

Book-Based System

Subscriptions for the Units will be received subject to rejection or allotment, in whole or in part, and the Underwriters reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about the week of November 25, 2021 or such other date as the Underwriters and the Corporation may mutually agree, acting reasonably.

It is anticipated that the Unit Shares and Warrants comprising the Units will be delivered under the book-based system through CDS or its nominee and deposited in electronic form, or will otherwise be delivered to the Underwriters registered as directed by the Underwriters, on the Closing Date. Except in limited circumstances, a purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a Participant. CDS will record the Participants who hold Unit Shares and Warrants comprising the Units on behalf of owners who have purchased Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. Notwithstanding the foregoing, all Unit Shares, all Warrants and any Warrant Shares, offered and sold to, or for the account or benefit of, persons in the United States or U.S. Persons who are U.S. Accredited Investors will be issued in certificated, individually registered form.

Notice to Certain Prospective Investors Outside of North America

European Economic Area

This Prospectus has been prepared on the basis that all offers of the Units, if any, will be made in any member state (a “**Member State**”) of the European Economic Area pursuant to an exemption under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**EAA Prospectus Regulation**”), from the requirement to produce a prospectus for offers of the Units. Accordingly, any person making or intending to make any offer within any Member State of the Units should only do so in circumstances in which no obligation arises for the Company or any of the Underwriters to produce a prospectus for such offer. Neither we nor any Underwriter has authorized, nor do we or they authorize, the making of any offer of the Units through any financial intermediary, other than offers made by the Underwriters, which constitute the final placement of the Units contemplated in this Prospectus.

Each Underwriter has represented and agreed, and each further Underwriter appointed under the Offering will be required to represent and agree, that it has not made and will not make an offer of any Units to the public in any Member State, except that it may make an offer of such Units to the public in that Member State:

- (a) at any time to any legal entity that is a qualified investor as defined in Article 2(e) of the EAA Prospectus Regulation (a “**Qualified Investor**”);
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the EAA Prospectus Regulation; or
- (c) at any time in any other circumstances falling within Article 1(4) of the EAA Prospectus Regulation,

provided that no such offer of Units shall result in a requirement for the publication by the Company or any Underwriter of a prospectus pursuant to Article 3(1) of the EAA Prospectus Regulation or a supplement to a prospectus pursuant to Article 23 of the EAA Prospectus Regulation.

For the purposes of this provision, the expression an “offer of Units to the public” in relation to any Units in any Member State means the communication in any form and by any means, presenting sufficient information on the terms of the offer and the Units so as to enable an investor to decide to purchase or subscribe for the Units. Each subscriber

for the Units located in a Member State will be deemed to have represented, acknowledged and agreed that it is a Qualified Investor.

United Kingdom

No Units will be offered to the public in the United Kingdom, prior to the publication of a prospectus in relation to the Units which has been approved by the Financial Conduct Authority, except that the Units may be offered to the public in the United Kingdom at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- (c) in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000 (“FSMA”).

provided that no such offer of the Units shall require the Company or any Underwriter to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation (as defined below).

For the purposes of the paragraph above, the expression an “offer to the public” in relation to the Units in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Units to be offered so as to enable an investor to decide to purchase or subscribe for any Units and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act of 2018.

This Prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors (as defined in the UK Prospectus Regulation) that are also (i) investment professionals falling within Article 19(5) of the *Financial Services and Markets Act 2000* (Financial Promotion) Order 2005, as amended, referred to herein as the “Order”, and/or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated or caused to be communicated. Each such person is referred to herein as a “**Relevant Person**”.

This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this document or any of its contents.

Any invitation or inducement to engage in investment activity within the meaning of Section 21 of the *Financial Services and Markets Act 2000* may only be communicated or caused to be communicated in connection with the issue or sale of the securities in circumstances in which Section 21(1) of the FSMA does not apply. All applicable provisions of the FSMA must be complied with in respect of anything done by any person in relation to the securities in, from or otherwise involving the United Kingdom.

Price Stabilization and Passive Market-Making

In connection with the Offering and subject to applicable laws, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at a level other than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. The Underwriters may carry out these transactions on the TSXV, in the over-the-counter market or otherwise.

Pursuant to policy statements of certain securities regulators, the Underwriters may not, throughout the period of distribution, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions including: (i) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market

making activities, (ii) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities, or (iii) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period.

As a result of these activities, the price of the Common Shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on any stock exchange on which the Common Shares are listed, in the over-the-counter market, or as otherwise permitted by applicable law.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Offering

The Offering consists of Units offered at the Offering Price of \$1.75 per Unit. Each Unit will consist of one Unit Share and one-half of one Warrant.

Authorized Share Capital

The authorized capital of the Corporation consists of an unlimited number of Common Shares. As of the date of this Prospectus, there are 187,180,113 Common Shares issued and outstanding. The holders of the Common Shares are entitled to one vote per share at all meetings of the shareholders of the Corporation either in person or by proxy. The holders of Common Shares are also entitled to dividends, if and when declared by the directors of the Corporation and the distribution of the residual assets of the Corporation in the event of a liquidation, dissolution or winding up of the Corporation. The Common Shares rank equally as to all benefits which might accrue to the holders thereof, including the right to receive dividends, voting powers, and participation in assets and in all other respects, on liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other disposition of the assets of the Corporation among its shareholders for the purpose of winding up its affairs after the Corporation has paid out its liabilities. The Common Shares are not subject to call or assessment rights or any pre-emptive or conversion rights. There are no provisions for redemption, purchase for cancellation, surrender or purchase of funds. The Unit Shares and Warrant Shares are Common Shares.

Warrants

Each Warrant will be transferable and will entitle the holder thereof to acquire one Warrant Share at a price of \$2.50 per Warrant Share at any time prior to 5:00 p.m. (Eastern time) at any time up to 24 months following the Closing Date, subject to adjustment in certain customary events, after which time the Warrants will expire.

The Warrants will be issued under and governed by the Warrant Indenture to be entered into on the Closing Date between the Corporation and Computershare, as warrant agent. The Corporation will appoint the principal transfer office of Computershare in Montreal, Québec as the location at which the Warrants may be surrendered for exercise, transfer or exchange. Under the Warrant Indenture, the Corporation may, subject to applicable law, purchase by private contract or otherwise, any of the Warrants then outstanding, and any Warrants so purchased will be cancelled.

The Warrant Indenture will provide for adjustment in the class or number of securities issuable upon the exercise of the Warrants or the Exercise Price per Warrant Share in the event of the following additional events: (a) reclassifications of the Common Shares; (b) consolidations, amalgamations, arrangements or mergers of the Corporation with or into any other corporation or other entity (other than consolidations, amalgamations, arrangements or mergers which do not result in any reclassification of the outstanding Common Shares or a change of the Common Shares into other shares); or (c) the transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or the number of Warrant Shares issuable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at

least 1% in the exercise price or a change in the number of Warrant Shares issuable upon exercise by at least one one-hundredth of a Warrant Share, as the case may be.

The Corporation will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to Computershare and to the holders of the Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date of such event, if any.

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

The Warrant Indenture will provide that, from time to time, the Corporation may amend or supplement the Warrant Indenture for certain purposes, without the consent of the holders of the Warrants, including curing defects or inconsistencies or making any change that does not prejudice the rights of any holder. Any amendment or supplement to the Warrant Indenture that would prejudice the interests of the holders of Warrants may only be made by “extraordinary resolution”, which will be defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing of at least 10% of the aggregate number of the then outstanding Warrants (unless such meeting is adjourned to a prescribed later date due to the lack of quorum) and passed by the affirmative vote of the holders of Warrants present in person or by proxy shall form a quorum) and passed by the affirmative vote of the holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution; or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants.

The foregoing summary of certain provisions of the Warrant Indenture does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture in the form to be agreed upon by the parties.

Broker Warrants

As additional consideration for the services rendered in connection with the Offering, the Corporation has agreed to issue to the Underwriters such number of Broker Warrants as is equal to 6.0% of the Units sold pursuant to the Offering. Each Broker Warrant will entitle the holder thereof to acquire one Unit at the Offering Price for a period of 24 months from the Closing Date.

The certificates representing the Broker Warrants will provide for standard adjustments in the number of Units issuable upon the exercise of the Broker Warrants or the exercise price per Broker Warrant subject to a Broker Warrant upon the occurrence of certain events, including if the Corporation: (a) subdivides, re-divides or changes its outstanding Common Shares into a greater number of Common Shares; (b) consolidates, reduces or combines its outstanding Common Shares into a smaller number of Common Shares; or (c) fixes a record date for the issue of Common Shares or securities convertible into or exchangeable for Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend (other than the issue of Common Shares or convertible securities to such holders as dividends paid in the ordinary course and other than rights, options or Warrants exercisable within a period expiring not more than 45 days after the record date for such issue to acquire Common Shares or securities exchangeable for or convertible into Common Shares at a price per Common Share, or at an exchange or conversion price per Common Share, of at least 95% of the current market price of the Common Shares on such record date).

Holders of Broker Warrants will not have any voting or any other rights which a holder of Common Shares would have.

The Broker Warrants have not been and will not be registered under the 1933 Act or any state securities laws, and the Broker Warrants may not be exercised in the United States or by, or for the account or benefit of, any U.S. Person or person in the United States, except pursuant to an exemption from the registration requirements of the 1933 Act and applicable state securities laws.

PRIOR SALES

During the 12-month period prior to the date of this Prospectus, the Corporation issued securities as follows:

<u>Issue Date</u>	<u>Number and Class of Securities</u>	<u>Issue Price or Exercise Price per Security</u>
January 22, 2021 ⁽²⁾	50,000 Common Shares	\$0.45
January 27, 2021 ⁽¹⁾	25,000 Common Shares	\$0.56
February 1, 2021 ⁽²⁾	25,000 Common Shares	\$0.45
February 1, 2021 ⁽¹⁾	50,000 Common Shares	\$0.50
February 4, 2021 ⁽²⁾	494 Common Shares	\$0.45
February 4, 2021 ⁽¹⁾	225,000 Common Shares	\$0.56
February 10, 2021 ⁽¹⁾	50,000 Common Shares	\$0.45
February 11, 2021 ⁽³⁾	13,636,400 Common Shares	\$1.10
February 11, 2021 ⁽³⁾	6,818,200 Warrants	\$1.75
February 26, 2021 ⁽¹⁾	25,000 Common Shares	\$0.56
February 26, 2021 ⁽²⁾	100,000 Common Shares	\$0.45
March 4, 2021 ⁽²⁾	25,000 Common Shares	\$0.45
March 11, 2021 ⁽²⁾	25,000 Common Shares	\$0.45
April 26, 2021 ⁽²⁾	50,000 Common Shares	\$0.45
May 25, 2021	50,000 Options	\$1.25
June 9, 2021 ⁽¹⁾	150,000 Common Shares	\$1.25
June 14, 2021 ⁽²⁾	20,000 Common Shares	\$0.45
June 18, 2021 ⁽²⁾	13,500 Common Shares	\$1.10
July 8, 2021 ⁽²⁾	158,018 Common Shares	\$0.45
August 16, 2021 ⁽²⁾	35,000 Common Shares	\$0.45
August 31, 2021 ⁽²⁾	33,333 Common Shares	\$0.45
September 16, 2021	200,000 Options	\$1.35
September 24, 2021 ⁽²⁾	50,000 Common Shares	\$0.45
September 27, 2021 ⁽¹⁾	50,000 Common Shares	\$0.56
September 27, 2021 ⁽¹⁾	200,000 Common Shares	\$0.80
October 19, 2021 ⁽¹⁾	3,005,000 Common Shares	\$0.56
October 25, 2021 ⁽²⁾	75,000 Common Shares	\$0.45
October 28, 2021 ⁽¹⁾	225,000 Common Shares	\$0.56
November 3, 2021 ⁽¹⁾	50,000 Common Shares	\$0.35

Notes:

- (1) Issued upon the exercise of options.
- (2) Issued upon the exercise of warrants.
- (3) Issued pursuant to the February 2021 Private Placement.

TRADING PRICE AND VOLUME

The Common Shares of the Corporation are listed and posted for trading on the TSXV under the symbol “CRE”.

The following table sets forth trading information for the Common Shares on the TSXV (as reported by web.tsxmoney.com) during the 12-month period prior to the date of the Prospectus.

<u>Month</u>	<u>High (\$)⁽¹⁾</u>	<u>Low (\$)⁽²⁾</u>	<u>Trading volume⁽³⁾</u>
November 1 st to 9 th , 2021	1.98	1.65	4,520,000
October 2021	1.84	1.31	5,389,900
September 2021	1.45	1.25	2,560,400
August 2021	1.63	1.15	5,121,800
July 2021	1.45	1.15	5,202,600
June 2021	1.79	1.25	5,131,500
May 2021	1.46	1.22	1,962,000
April 2021	1.49	1.19	2,521,200
March 2021	1.50	1.20	3,492,600
February 2021	1.63	1.13	8,159,900
January 2021	1.45	0.70	9,664,200
December 2020	0.86	0.66	3,018,888
November 2020	1.02	0.72	5,210,000

Notes:

(1) Includes intra-day high prices.

(2) Includes intra-day low prices.

(3) Total volume traded in the relevant period.

RISK FACTORS

In addition to the risk factors set forth herein, additional risk factors relating to the Corporation’s business are discussed in the AIF and in the MD&A, which risk factors are incorporated herein by reference. An investment in the Securities offered hereby involves certain risks. Before investing, purchasers of Securities should carefully consider the information contained in this Prospectus as well as the other information contained in and incorporated by reference in this Prospectus before purchasing the Securities offered hereby. If any event arising from these risks occurs, the Corporation’s business, prospects, financial condition, results of operations or cash flows, or your investment in the Securities could be materially adversely affected.

Risk related to the Offering

Potential Loss of Investment

An investment in the Securities of the Corporation is speculative and may result in the loss of an investor’s entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider purchasing the Securities of the Corporation, as there is no assurance that the Corporation will commence commercial production.

No Market for the Securities

There is currently no trading market for the Warrants or Units that maybe offered. No assurance can be given that an active or liquid trading market for these securities will develop or be sustained. If an active or liquid market for

these securities fails to develop or be sustained, the prices at which these securities trade may be adversely affected. Whether or not these securities will trade at lower prices depends on many factors, including liquidity of these securities, prevailing interest rates and the markets for similar securities, the market price of the Corporation, general economic conditions and the Corporation's financial condition, historic financial performance and future prospects.

Use of Proceeds

Management will have broad discretion concerning the use of the net proceeds of the Offering, as well as the timing of their expenditures. Depending on fluctuations in lithium prices and other factors, the intended use of proceeds may change. As a result, an investor will be relying on the judgment of management for the application of the net proceeds of the Offering. Management may use the net proceeds of the Offering in ways that an investor may not consider desirable if they believe it would be in the best interests of the Corporation to do so. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Corporation's results of operations may suffer.

Future Financings May Cause Dilution

The Corporation may sell additional equity securities, or securities convertible or exercisable into equity securities, in subsequent offerings to finance its operations. The Corporation cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities or the perception that such sales could occur, may have a material adverse effect on the prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of the voting power and may experience dilution in the Corporation's earnings per Common Share.

No Current Plans to Pay Cash Dividends

The Corporation has no current plans to pay any cash dividends for the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of the Board of Directors and will depend on, among other things, the Corporation's financial results, cash requirements, contractual restrictions and other factors that the Board of Directors may deem relevant. In addition, the Corporation's ability to pay dividends may be limited by covenants of any existing and future outstanding indebtedness that the Corporation or its subsidiaries incur. As a result, investors may not receive any return on an investment in their Common Shares unless they sell their Common Shares for a price greater than which they paid for them.

Negative Operating Cash Flow and Additional Funding

The Corporation has limited financial resources and has no source of operating cash flow. During the fiscal year ended August 31, 2020 and the three- and nine-month periods ended May 31, 2021, the Corporation had negative cash flow from operating activities. The Corporation anticipates it will continue to have negative cash flow from operating activities in future periods until profitable commercial production is achieved at the Rose Property. There is no assurance that additional funding will be available to the Corporation for the exploration and development of its projects. Furthermore, significant additional financing, whether through the issuance of additional securities and/or debt, will be required to continue the development of the Rose Property. There can be no assurance that the Corporation will be able to obtain adequate additional 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 development of the Rose Property.

Forward-Looking Statements May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Market Price of Common Shares

There can be no assurance that an active market for the Common Shares will be sustained. Securities of mining 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 securities of the Corporation is also likely to be significantly affected by short-term changes in commodity prices and specifically the price of silver and gold, other precious metal prices or other mineral prices, currency exchange fluctuation, or in its financial condition or results of operations as reflected in its quarterly financial reports.

Warrants will not be listed for trading

There is no market in which the Warrants may be sold, and purchasers may not be able to resell the Warrants that are purchased under this Prospectus. The Warrants will not be listed on a stock exchange. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation.

ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Corporation, and Bennett Jones LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder as of the date hereof (collectively, the “**Tax Act**”), the Units Shares, Warrants and Warrant Shares, if issued on the date hereof, would be “qualified investments” under the Tax Act for a trust governed by a registered retirement savings plan (“**RRSP**”), registered retirement income fund (“**RRIF**”), registered education savings plan (“**RESP**”), registered disability savings plan (“**RDSP**”), tax-free savings account (“**TFSA**”) (collectively, “**Registered Plans**”) and a deferred profit sharing plan (“**DPSP**”), each as defined in the Tax Act, provided that at such time:

- (i) in the case of Unit Shares and Warrant Shares, either the Unit Shares or the Warrant Shares, as applicable, are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes Tiers 1 and 2 of the TSXV) or the Corporation is otherwise a “public corporation” as defined in the Tax Act, and
- (ii) in the case of the Warrants, the Warrant Shares are qualified investments as described in (i) above and neither the Corporation, nor any person with whom the Corporation does not deal at arm's length for the purposes of the Tax Act, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, such Registered Plan or DPSP.

Notwithstanding that a Unit Share, Warrant or Warrant Share may be a “qualified investment” for a Registered Plan, the annuitant under an RRSP or RRIF, the holder of a TFSA or RDSP, or the subscriber of an RESP will be subject to a penalty tax if such Unit Share, Warrant or Warrant Share is a “prohibited investment” (as defined in the Tax Act) for the Registered Plan. A Unit Share, Warrant or Warrant Share will generally not be a “prohibited investment” for a particular Registered Plan provided that the annuitant, holder, or subscriber of the particular Registered Plan, deals at arm's length with the Corporation for purposes of the Tax Act and does not have a “significant interest” (as defined in the Tax Act for purposes of these rules) in the Corporation. In addition, the Unit Shares and Warrant Shares will not be a “prohibited investment” if such securities are “excluded property” (as defined in the Tax Act for purposes of these rules) for the particular Registered Plan.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular investor. Persons who intend to hold Unit Shares, Warrants or Warrant Shares in a Registered Plan should consult their own tax advisors with respect to the application of these rules in their particular circumstances.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires Units pursuant to the Offering. For purposes of this summary, references to “Common Shares” include Unit Shares and Warrant Shares unless otherwise indicated. This summary applies only to a purchaser who is a beneficial owner of Unit Shares and Warrants acquired pursuant to the Offering.

and, if applicable, Warrant Shares on the exercise of Warrants, and who, for the purposes of the Tax Act, and at all relevant times: (i) deals at arm's length with the Corporation and the Underwriters, and is not affiliated with the Corporation or the Underwriters; and (ii) acquires and holds the Common Shares and Warrants as capital property (a "**Holder**"). Common Shares and Warrants will generally be considered to be capital property to a Holder unless they are held in the course of carrying on a business of trading or dealing in securities or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a "financial institution" within the meaning of section 142.2 of the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii) that has made a "functional currency" reporting election under section 261 of the Tax Act; (iv) an interest in which is, or for whom a Common Share or Warrant would be, a "tax shelter investment" for the purposes of the Tax Act; (v) that has entered or will enter into a "derivative forward agreement", or "synthetic disposition agreement" as defined in the Tax Act, in respect of Common Shares or Warrants; (vi) that is a corporation resident in Canada and that is or becomes (or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes), as part of a transaction or event or series of transactions or events that includes the acquisition of any Common Shares or Warrants, controlled by a non-resident person (or by a group of non-resident persons that do not deal at arm's length with each other for purposes of the Tax Act) for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act; or (vii) that receives dividends on the Unit Shares or Warrant Shares under or as part of a "dividend rental arrangement" as defined in the Tax Act. Such Holders should consult their own tax advisors with respect to an investment in the Units.

This summary is based upon: (i) the current provisions of the Tax Act; (ii) all specific proposals ("**Proposed Amendments**") to amend the Tax Act or the Regulations that have been publicly announced by, or on behalf of, the Minister of Finance (Canada) prior to the date hereof; and (iii) counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**"). This summary assumes the Proposed Amendments will be enacted in the form proposed, however no assurance can be given that the Proposed Amendments will be enacted or otherwise implemented in their current form, if at all. If the Proposed Amendments are not enacted or otherwise implemented as presently proposed, the tax consequences may not be as described below in all cases. Other than the Proposed Amendments, this summary does not take into account or anticipate any changes in law, administrative policy or assessing practice, whether by legislative, regulatory, administrative, governmental or judicial decision or action, nor does it take into account other federal tax laws or the tax laws of any province or territory of Canada or of any jurisdiction outside of Canada.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

Allocation of Cost

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

For its purposes, the Corporation has advised counsel that, of the \$1.75 subscription price for each Unit, it intends to allocate \$1.65 to each Unit Share and \$0.10 to each one-half Warrant and believes that such allocation is reasonable. The Corporation's allocation, however, is not binding on the CRA or on a Holder.

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

Exercise of Warrants

No gain or loss will be realized by a Holder of a Warrant upon the exercise of such Warrant. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be equal to the adjusted cost base of the

Warrant to such Holder, plus the amount paid on the exercise of the Warrant. For the purpose of computing the adjusted cost base to a Holder of each Warrant Share acquired on the exercise of a Warrant, the cost of such Warrant Share must be averaged with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the exercise of the Warrant.

Holders Resident in Canada

This section of the summary applies to a Holder who, at all relevant times, is, or is deemed to be, resident in Canada for the purposes of the Tax Act (“**Resident Holder**”).

A Resident Holder whose Common Shares might not otherwise qualify as capital property may be entitled to make the irrevocable election provided by subsection 39(4) of the Tax Act to have the Common Shares and every other “Canadian security” (as defined in the Tax Act) owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years deemed to be capital property.

Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances. Such election is not available in respect of Warrants.

Dividends

A Resident Holder will be required to include in computing her, his or its income for a taxation year any taxable dividends received or deemed to be received on the Common Shares. In the case of a Resident Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations. Taxable dividends received from a taxable Canadian corporation which are designated by such corporation as “eligible dividends” in accordance with the provisions of the Tax Act will be subject to an enhanced gross-up and dividend tax credit regime in accordance with the rules in the Tax Act. There may be restrictions on the ability of the Corporation to designate particular dividends as “eligible dividends”, and the Corporation makes and has made no representation or commitments in this regard. Any such designation will be disclosed by the Corporation on its website unless otherwise notified.

Dividends received or deemed to be received on the Common Shares by a Resident Holder that is a corporation will be included in computing such Resident Holder’s income for the taxation year and will generally also be deductible in computing its taxable income for that taxation year, subject to all relevant restrictions under the Tax Act.

In certain circumstances a dividend received or deemed to be received by a Resident Holder that is a corporation may be deemed to be proceeds of disposition or a capital gain pursuant to subsection 55(2) of the Tax Act. Resident Holders that are corporations should consult their own tax advisors in this regard.

A Resident Holder that is a “private corporation” as defined in the Tax Act and certain other corporations controlled, directly or indirectly, by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts), may be liable to pay an additional tax under Part IV of the Tax Act on dividends received on the Common Shares to the extent such dividends are deductible in computing the Resident Holder’s taxable income for the year. Such additional tax may be refundable in certain circumstances. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

Disposition of Common Shares and Warrants

A Resident Holder who disposes of or is deemed to have disposed of a Common Share (other than a disposition to the Corporation in a transaction that is not a sale in the open market in the manner in which shares are normally purchased by any member of the public in the open market) or a Warrant (other than on the exercise or expiry of such Warrant) will generally realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base to the Resident Holder of such security immediately before the disposition or deemed disposition.

Generally, the expiry of an unexercised Warrant will give rise to a capital loss equal to the adjusted cost base to the Resident Holder of such expired Warrant.

Taxable Capital Gains and Losses

A Resident Holder will generally be required to include in computing her, his or its income for the taxation year of disposition, one-half of the amount of any capital gain (a “**taxable capital gain**”) realized in such year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder will be required to deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) against taxable capital gains realized in the taxation year of disposition. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years (but not against other income), to the extent and under the circumstances specified in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share by a Resident Holder that is a corporation may, in certain circumstances, be reduced by the amount of dividends received or deemed to have been received by it on such Common Shares to the extent and under the circumstances specified in the Tax Act. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares directly or indirectly. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Other Income Taxes

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional tax (refundable under certain circumstances) on its “aggregate investment income” (as defined in the Tax Act) for the year, including taxable capital gains. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

In general terms, a Resident Holder that is an individual (other than certain trusts) that receives or is deemed to have received taxable dividends on the Common Shares or realizes a capital gain on the disposition or deemed disposition of Common Shares or Warrants may be liable for alternative minimum tax under the Tax Act. Resident Holders that are individuals should consult their own tax advisors in this regard.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act and any relevant income tax treaty or convention: (i) is not, and is not deemed to be, resident in Canada; and (ii) does not use or hold (and is not deemed to use or hold) the Common Shares or Warrants in connection with carrying on a business in Canada (“**Non-Resident Holder**”). This summary does not apply to a Non-Resident Holder that carries on, or is deemed to carry on, an insurance business in Canada and elsewhere, or that is a “registered non-resident insurer” or an “authorized foreign bank” (as such terms are defined in the Tax Act), and such Non-Resident Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed under the Tax Act to be paid or credited by the Corporation to a Non-Resident Holder on the Common Shares will be subject to Canadian withholding tax at the rate of 25%, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident. For example, where a Non-Resident Holder is a resident of the United States for purposes of the *Canada-United States Tax Convention* (1980), as amended (the “**Treaty**”), is fully entitled to the benefits under the Treaty, and is the beneficial owner of the dividend, the applicable rate of Canadian withholding tax is generally reduced to 15%. Non-Resident Holders should consult their own tax advisors in this regard.

Disposition of Common Shares and Warrants

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Common Share or Warrant unless the Common Share or Warrant (as applicable) is, or is deemed to be, “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition for the purposes of the Tax Act and the Non-Resident Holder is not entitled to an exemption under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident.

Generally, a Common Share or Warrant (as applicable) will not constitute taxable Canadian property of a Non-Resident Holder at the time of disposition provided that the Common Shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which currently includes Tiers 1 and 2 of the TSXV) at that time, unless at any time during the 60 month period immediately preceding the disposition, (i) at least 25% of the issued shares of any class or series of the capital stock of the Corporation were owned by or belonged to any combination of (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm’s length, and (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships; and (ii) at such time, more than 50% of the fair market value of such shares was derived, directly or indirectly, from any combination of real or immovable property situated in Canada, “Canadian resource property” (as defined in the Tax Act), “timber resource property” (as defined in the Tax Act), or options in respect of, interests in, or for civil law rights in such properties, whether or not such property exists. Notwithstanding the foregoing, a Common Share or a Warrant may otherwise be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain circumstances.

A Non-Resident Holder contemplating a disposition of Common Shares or Warrants that may constitute taxable Canadian property should consult a tax advisor prior to such disposition.

In cases where a Non-Resident Holder disposes (or is deemed to have disposed) of a Common Share or Warrant that is taxable Canadian property to that Non-Resident Holder, and the Non-Resident Holder is not entitled to an exemption under an applicable income tax convention, the consequences described above under the headings “*Holders Resident in Canada – Dispositions of Common Shares and Warrants*” and “*Holders Resident in Canada – Taxable Capital Gains and Losses*” will generally be applicable to such disposition. Such Non-Resident Holders should consult their own tax advisors.

INTERESTS OF EXPERTS

Certain legal matters relating to the Offering will be passed upon on behalf of the Corporation by Fasken Martineau DuMoulin LLP and on behalf of the Underwriters by Bennett Jones LLP. As at the date hereof, the partners and associates of Fasken Martineau DuMoulin LLP, as a group, own, directly or indirectly, less than 1.0% of the outstanding Common Shares. As at the date hereof, the partners and associates of Bennett Jones LLP, as a group, own, directly or indirectly, less than 1.0% of the outstanding Common Shares.

The technical and scientific information contained in the AIF incorporated by reference in this Prospectus has been reviewed and approved in accordance with NI 43-101 by Mr. Pierre-Luc Richard, Mr. Patrick Frenette, Mr. Florent Baril, Mr. Philippe Rio Roberge, Mr. Éric Poirier, Mr. Olivier Joyal and Mr. Vincent Jourdain, each considered, by virtue of their education, experience and professional association, to be a “qualified person” within the meaning of NI 43-101. To the knowledge of the Corporation, neither the qualified persons nor the firm they work with have an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the AIF or as at the date hereof.

KPMG LLP, the auditors of the Corporation, provided an auditor’s report in respect of the Audited Annual Financial Statements. KPMG LLP has advised the Corporation that they are independent of the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada.

STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

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

In respect of the Warrants that comprise the Units, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in this Prospectus is limited, in certain provincial securities legislation, to the price at which the Warrants are offered to the public under the Offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the Warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

Each of Dr. Steffen Haber, President and Director, Mr. Matthew Lauriston Starnes and Dr. Marcus Brune, Directors of the Corporation, resides outside of Canada and has the Corporation as Underwriters for service of process at 1080, Côte du Beaver Hall, suite 2101, Montreal, Québec, H2Z 1S8. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person who resides outside of Canada, even if the party has appointed an agent for service of process.

CERTIFICATE OF THE CORPORATION

Dated: November 10, 2021

This preliminary short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this preliminary short form prospectus as required by the securities legislation of each of the Provinces of Canada.

(Signed) “Jean-Sébastien Lavallée”
Chief Executive Officer and Director

(Signed) “Nathalie Laurin”
Chief Financial Officer

On Behalf of the Board of Directors

(Signed) “Eric Zaunscherb”
Director

(Signed) “Steffen Haber”
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: November 10, 2021

To the best of our knowledge, information and belief, this preliminary short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this preliminary short form prospectus as required by the securities legislation of each of the Provinces of Canada.

CANTOR FITZGERALD CANADA CORPORATION

(signed) Elan Shevel
Chief Compliance Officer

STIFEL NICOLAUS CANADA INC.

(signed) Michael Barman
Managing Director, Investment Banking

PARADIGM CAPITAL INC.

(signed) John Booth
Head of Investment Banking

BEACON SECURITIES LIMITED

(signed) Daniel Belchers
Managing Director, Investment Banking

RED CLOUD SECURITIES INC.

(signed) Bruce Tatters
Chief Executive Officer