No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell these securities in those jurisdictions.

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

***Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of Oceanus Resources Corporation, 1969 Upper Water Street, Suite 2108, Halifax, Nova Scotia, B3J 3R7, Telephone: 902-483-2308, and are also available electronically at www.sedar.com.*

SHORT FORM PROSPECTUS

New Issue June 14, 2016

OCEANUS RESOURCES CORPORATION

C$5,000,000
21,739,130 Units

This short form prospectus (the "**Prospectus**") qualifies the distribution (the "**Offering**") of 21,739,130 units (the "**Units**") of Oceanus Resources Corporation ("**Oceanus**" or the "**Company**") at a price of C$0.23 per Unit (the "**Offering Price**"), pursuant to an underwriting agreement (the "**Underwriting Agreement**") dated June 7, 2016 among the Company and Cantor Fitzgerald Canada Corporation ("**CCFC**") and PI Financial Corp. ("**PI Financial**" and, together with CFCC, the "**Underwriters**") as co-lead underwriters and joint book-runners. Each Unit shall be comprised of one (1) common share in the capital of the Company (each, a "**Unit Share**") and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant shall entitle the holder to acquire, subject to adjustment in accordance with the Warrant Indenture (as defined herein), one common share of the Company (each, a "**Warrant Share**") at an exercise price of C$0.39 per Warrant Share at any time on or before the date which is twenty-four (24) months after the Closing Date (as defined herein). The Warrants will be governed by a warrant indenture (the "**Warrant Indenture**") to be entered into on or before the Closing Date between the Company and Computershare Trust Company of Canada (the "**Warrant Agent**"). There is currently no market through which the Warrants can be sold and purchasers may not be able to resell such securities. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of such securities, and the extent of issuer regulation. The Company has no current intention of listing the Warrants on the TSX Venture Exchange ("**TSXV**") or any other exchange. The Offering Price was determined by negotiation between Oceanus and the Underwriters. The Company's common shares (the "**Common Shares**") are listed and posted for trading on the TSXV under the symbol "OCN". On May 31, 2016, the last trading day prior to the announcement of the Offering, the closing price of the Common Shares on the TSXV was C$0.28. On June 13, 2016, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSXV was C$0.23. The TSXV has conditionally approved the listing of the Unit Shares, the Warrant Shares issuable on the due exercise of the Warrants, the Underwriters' Shares (as defined herein), and the Underwriters' Warrant Shares (as defined herein) on the TSXV. Listing will be subject to the Company fulfilling all of the requirements of the TSXV on or before September 5, 2016.

Price: C$0.23 per Unit

	Price to the Public	Underwriters' Fee[(1)]	Net Proceeds to the Company[(2)]
Per Unit	C$0.23	C$0.0138	C$0.2162
Total[(3)]	C$5,000,000	C$300,000	C$4,700,000

(1) Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters a fee equal to 6% of the gross proceeds of the Offering (the "**Underwriters' Fee**") (including in respect of any Additional Offered Units (as defined herein) sold upon exercise of any portion of the Over-Allotment Option (as defined herein)). As additional compensation, the Company has agreed to issue broker warrants (the "**Broker Warrants**") to the Underwriters on the Closing Date. The Broker Warrants will entitle the Underwriters to purchase that number of Units comprised of one Unit Share and one-half of one Warrant that is equal to 6% of the total number of Units (including any Additional Offered Units) sold under the Offering (the "**Underwriters' Units**"), at the Offering Price per Underwriters' Unit for a period of 24 months following the Closing Date. An aggregate of up to 1,500,000 Underwriters' Units consisting of 1,500,000 Unit Shares (the "**Underwriters' Shares**") and 750,000 Warrants (the "**Underwriters' Warrants**") are hereby allotted and reserved for issuance to the Underwriters. Each Underwriters' Warrant shall entitle the holder to acquire, subject to adjustment in accordance with the Warrant Indenture, one Common Share (each, an "**Underwriters' Warrant Share**") at an exercise price of C$0.39 per Warrant Share at any time on or before the date which is twenty-four (24) months after the Closing Date. This Prospectus qualifies the grant of the Broker Warrants to the Underwriters. See "*Plan of Distribution*".

(2) After deducting the Underwriters' Fee, but before deducting the expenses of the Offering, which are estimated to be approximately C$350,000, which, together with the Underwriters' Fee, will be paid out of the gross proceeds of the Offering.

(3) The Company has granted the Underwriters an over-allotment option (the "**Over-Allotment Option**"), exercisable in whole or in part, at any time and from time to time, in the sole discretion of the Underwriters, for a period of 30 days from the Closing Date, to purchase up to an additional amount of Units equal to 15% of the Units sold pursuant to the Offering, being 3,260,870 Units (the "**Additional Offered Units**"), at the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters in respect of: (i) Additional Offered Units at the Offering Price; or (ii) additional Unit Shares (the "**Additional Shares**") at a price of C$0.215 per Additional Share; or (iii) additional Warrants (the "**Additional Warrants**") at a price of C$0.03 per Additional Warrant; or (iv) any combination of Additional Shares and/or Additional Warrants (together, the "**Additional Securities**"), so long as the aggregate number of Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 3,260,870 Additional Shares and 1,630,435 Additional Warrants. The grant of the Over-Allotment Option and the Additional Securities issuable upon exercise of the Over-Allotment Option are hereby qualified for distribution under this Prospectus. A purchaser who acquires Additional Securities issuable on the exercise of the Over-Allotment Option acquires such Additional Securities 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, the total Price to the Public, Underwriters' Fee and Net Proceeds to the Company (before payment of the expenses of the Offering) will be approximately C$5,750,000, C$345,000 and C$5,405,000 respectively. See "*Plan of Distribution*" and the table below:

Underwriters' Position	Maximum Size or Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Over-Allotment Option[(1)]	3,260,870 Additional Shares and/or 1,630,435 Additional Warrants	Exercisable for a period of 30 days from the Closing Date	C$0.23 per Additional Unit, C$0.215 per Additional Share and C$0.03 per Additional Warrant
Broker Warrants[(2)]	1,500,000 Underwriters' Shares and 750,000 Underwriters' Warrants	Exercisable for a period of 24 months from the Closing Date	C$0.23 per Underwriters' Share, C$0.215 per Underwriters' Share and/or C$0.03 per Underwriters' Warrant

(1) Assumes exercise of the Over-Allotment Option in full. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Shares and Additional Warrants issuable upon exercise of the Over-Allotment Option. See "*Plan of Distribution*".

(2) Assumes exercise of the Over-Allotment Option in full. This Prospectus qualifies the grant and distribution of the Broker Warrants and the distribution of the Underwriters' Shares and the Underwriters' Warrants issuable upon exercise of the Broker Warrants.

Unless the context otherwise requires, all references to the "Offering" in this Prospectus shall include the Over-Allotment Option, references to "Units" shall include Additional Offered Units and Underwriters' Units, references to "Unit Shares" shall include Additional Shares and Underwriters' Shares and references to "Warrants" shall include Additional Warrants and Underwriters' Warrants, as applicable.

The Underwriters, as principals, conditionally offer the Units, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*".

An investment in the Units involves a high degree of risk. Prospective investors should consider the risk factors described under "*Risk Factors*" in this Prospectus and in the Annual Information Form (as defined herein)

and the other documents incorporated by reference in this Prospectus, which can be found on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com, before purchasing the Units. See "*Risk Factors*" and "*Cautionary Statement Regarding Forward-Looking Information*".

The Underwriters propose to offer the Units initially at the Offering Price. After the Underwriters have made commercially reasonable efforts to sell all of the Units at the Offering Price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, subject to the limitations on discount market price in accordance with the policies of the TSXV, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Units is less than the gross proceeds to be paid by the Underwriters to the Company. However, in no event will the Company receive less than net proceeds of C$0.2162 per Unit (after deducting the Underwriters' Fee but before deducting the expenses of the Offering). See "*Plan of Distribution*".

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

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing of the Offering is expected to occur on or about June 21, 2016 or such later date as may be agreed upon by the Company and the Underwriters (the "**Closing Date**"), however the Units are to be taken up by the Underwriters, if at all, on or before a date that is not later than 42 days after the date of the receipt this Prospectus.

Other than pursuant to certain exceptions, the Units will be available for delivery in book-based form through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and will be deposited or registered in electronic form with CDS on the Closing Date. A purchaser of Units will receive only a customer confirmation from the Underwriters or other registered dealer who is a CDS participant (a "**CDS Participant**") through which the Units are purchased. Notwithstanding the foregoing, a purchaser of Units that is in the United States or a U.S. Person that is an "accredited investor" (as such term is defined in Rule 501(a) of Regulation D under the U.S. Securities Act) purchasing pursuant to the exemption from registration provided by Rule 506(b) of Regulation D under the U.S. Securities Act, will receive individual physical certificates representing the Unit Shares and Warrants comprising the Units registered in such purchaser's name and bearing a U.S. legend. Purchasers who are not issued a certificate evidencing the securities which are subscribed for by them at closing may request that a certificate be issued in their name. Such a request will need to be made through the CDS Participant through whom the beneficial interest in the securities is held at the time of the request. **You should rely only on the information contained in or incorporated by reference into this Prospectus. The Company has not authorized anyone to provide you with different or additional information. The Company is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this Prospectus or incorporated by reference in this Prospectus is accurate as of any date other than the date on the front of this Prospectus or the date contained in the Annual Information Form or other document incorporated by reference into this Prospectus, as applicable. The Company's business, financial condition and results of operations may have changed since the date of this Prospectus. The Company does not undertake to update the information contained or incorporated by reference herein, except as required by the applicable securities laws.**

Prospective purchasers 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.

The registered and head office of the Company is located at 1969 Upper Water Street, Suite 2108, Halifax, Nova Scotia, B3J 3R7.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus and documents incorporated by reference herein contain certain statements, which may constitute "forward-looking information" under Canadian securities law requirements and "forward-looking statements" under applicable securities laws (collectively, "**forward-looking information**"). All statements other than statements of historical fact contained in this Prospectus and in documents incorporated by reference in this Prospectus, including, but not limited to, statements with respect to the Company's future financial position and results of operations, strategy, plans, objectives, goals and targets, anticipated commencement dates of mining or metal production operations, projected quantities of future metal production, anticipated production rates and mine life, operating efficiencies, costs and expenditures and conversion of mineral resources to reserves may constitute forward-looking information. In certain cases, forward-looking information can be identified by the use of words such as "could", "expect", "believe", "will", "may", "intend", "plan", "estimate", "anticipate", "predict", "project" and similar expressions and statements relating to matters that are not historical facts. Forward-looking information involves known and unknown risks and uncertainties and other factors, including those described under the heading "*Risk Factors*" herein and under the heading "*Risk Factors*" in the Annual Information Form (as defined herein) and in documents incorporated by reference herein, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. These factors include, among others, price volatility of gold, silver and other commodities; volatility of commodity prices and other input costs; mining industry operational hazards and environment concerns; uncertainty of estimates of mineral resources and mineral reserves; requirements for additional financing which may not be available; the potential that the Offering may not close; there may be an impairment or write-down of the Company's mineral properties or assets and the Company could be forced to discontinue exploration and may lose its interest in, or may be forced to sell some of its properties; changes in political conditions or governmental policies and political and financial instability in México; government regulation and requirements for permits and licenses and competition.

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

- the timing and closing of the Offering;
- the satisfaction of the conditions of closing of the Offering, including the receipt, in a timely manner, of regulatory and other required approvals;
- the use of proceeds of the Offering;
- that the price of gold and silver will not decline significantly nor for a lengthy period of time;
- the expectations, assessments, parameters and inputs in the technical reports of the Company or its subsidiaries filed on SEDAR by the Company, from time to time;
- that the Company will have sufficient working capital and be able to secure additional funding necessary for the continued exploration and development of the Company's property interests; and
- that key personnel will continue their employment with the Company.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from expectations, intentions, estimates or forecasts, there may be other factors that could cause results to differ from what is anticipated, estimated or intended. Those factors are described or referred to below, under the heading "*Risk Factors*" in this Prospectus, and under the heading "*Risk Factors*" in the Annual Information Form and under the heading "*Risks and Uncertainties*" in the management discussion and analysis of financial position and results of operation of the Company for the year ended March 31, 2015, both of which are incorporated herein by reference and are available on SEDAR at www.sedar.com and, as applicable, in other documents incorporated by reference in this Prospectus. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than where a duty to update such information or provide further disclosure is imposed by applicable law. Past events in global financial and credit markets have resulted in high market and commodity price volatility and uncertainty in credit and capital markets. These on-going events could impact forward-looking information contained in this Prospectus and in the documents incorporated by reference in an unpredictable and possibly detrimental manner. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information made in a document incorporated by reference in this Prospectus are made as at the date of the original document and have not been updated by the Company except as expressly provided for in this Prospectus. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commission or similar regulatory authority in Canada are available at www.sedar.com and are specifically incorporated by reference into, and form an integral part of, this Prospectus:

(a) the annual information form of Oceanus dated September 1, 2015, for the year ended March 31, 2015 (the "**Annual Information Form**");

(b) the audited consolidated financial statements of Oceanus, filed July 29, 2015, as at and for the financial years ended March 31, 2015 and 2014, together with the notes thereto and the auditor's report thereon (the "**Financial Statements**");

(c) management's discussion and analysis of financial position and results of operations of Oceanus dated as at July 29, 2015, for the year ended March 31, 2015;

(d) the unaudited condensed consolidated interim financial statements of Oceanus, dated as at February 29, 2016, for the period ended December 31, 2015, except for the notice provided under subparagraph 4.3(3)(a) of National Instrument 51-102 Continuous Disclosure Obligations;

(e) management's discussion and analysis of financial position and results of operations of Oceanus dated as at February 29, 2016, for the period ended December 31, 2015;

(f) the material change report of Oceanus dated June 2, 2016, with respect to the announcement of the Offering;

(g) the material change report of Oceanus dated December 23, 2015, with respect to the closing of a private placement;

(h) the material change report of Oceanus dated November 18, 2015, with respect to the completion of a plan of arrangement involving El Tigre Silver Corp. ("**El Tigre**");

(i) the material change report of Oceanus dated September 25, 2015, with respect to the announcement of a plan of arrangement involving El Tigre;

(j) the material change report of Oceanus dated June 22, 2015, with respect to the closing of a non-brokered private placement;

(k) the material change report of Oceanus dated June 2, 2015, with respect to the announcement of a non-brokered private placement;

(l) the management information circular of Oceanus dated August 28, 2015, with respect to the annual and special meeting of shareholders of Oceanus held on September 29, 2015; and

(m) the template version of the term sheet for the Offering dated June 1, 2016;

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

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

References to our website in any documents that are incorporated by reference into this Prospectus do not incorporate by reference the information on such website into this Prospectus, and we disclaim any such incorporation by reference. Copies of the documents incorporated herein by reference may also be obtained on request without charge from the Secretary of Oceanus Resources Corporation, 1969 Upper Water Street, Suite 2108, Halifax, Nova Scotia, B3J 3R7, Telephone: 902-483-2308 and are also available electronically at www.sedar.com.

MARKETING MATERIALS

Any "template version" of any "marketing materials" (as 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 short form 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 short form prospectus. Any template version of any other marketing materials filed on SEDAR at www.sedar.com after the date of this short form prospectus but before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the marketing materials) is deemed to be incorporated by reference in this short form prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Company, and Stikeman Elliott LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) (the "**Tax Act**"), the regulations thereunder and the proposals to amend the Tax Act and the regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and provided that the Unit Shares, the Warrants and the Warrant Shares, if issued on the date hereof, are listed on a "designated stock exchange" for purposes of the Tax Act (which currently includes the TSXV), the Unit Shares, Warrants and Warrant Shares will be "qualified investments" under the Tax Act for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), registered disability savings plans, deferred profit sharing plans, registered education savings plans, and tax-free savings accounts ("**TFSAs**"), each as defined in the Tax Act.

Notwithstanding the foregoing, if the Unit Shares, the Warrants and the Warrant Shares are "prohibited investments" for a particular RRSP, RRIF, or TFSA for purposes of the Tax Act, the annuitant of the RRSP or RRIF or the holder of the TFSA will be subject to a penalty tax under the Tax Act. The Unit Shares, the Warrants and the Warrant Shares will generally not be a "prohibited investment" for these purposes unless the annuitant under the RRSP or RRIF or the holder of the TFSA, as applicable: (i) does not deal at arm's length with the Company for purposes of the Tax Act; or (ii) has a "significant interest", as defined in the Tax Act, in the Company. Generally, an annuitant or holder will not have a "significant interest" in the Company unless the annuitant or holder and/or persons not dealing at arm's length with the annuitant or holder, owns directly or indirectly 10% or more of the issued shares of any class of the capital stock of the Company or of a corporation related to the Company.

In addition, the Unit Shares, the Warrants and the Warrant Shares will generally not be a "prohibited investment" if the Unit Shares, the Warrants and the Warrant Shares are "excluded property" for purposes of the prohibited investment rules, for a RRSP, RRIF or TFSA. Annuitants under a RRSP or RRIF and holders of a TFSA should consult their own tax advisors as to whether the Unit Shares, the Warrants and the Warrant Shares will be a prohibited investment for such RRSP, RRIF or TFSA in their particular circumstances, including with respect to whether the Unit Shares, the Warrants and the Warrant Shares would be "excluded property".

GENERAL MATTERS

In this Prospectus, unless otherwise indicated or the context otherwise requires, the terms “Oceanus”, “Company”, “we”, “us” and “our” are used to refer to Oceanus Resources Corporation inclusive of our subsidiaries.

Unless otherwise indicated, all references to “C$” in this Prospectus refer to Canadian dollars and all references to “US$” are to United States dollars. As of June 13, 2016, the Bank of Canada noon spot exchange rate in terms of United States dollars was US$1.00 = C$1.2792 (the “**Exchange Rate**”).

The following table sets forth the rate of exchange for the Canadian dollar, expressed in United States dollars: (i) in effect at the end of the periods indicated; and (ii) the high and low exchange rates during such periods, each based on the noon rate of exchange as reported by the Bank of Canada.

	Twelve Month Period Ended March 31	
	2015	**2014**
Rate at end of period	0.7225	0.8620
High for period	0.8527	0.9422
Low for period	0.7148	0.8589

The Financial Statements, incorporated by reference in this Prospectus, are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”).

This Prospectus makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company’s financial information reported under IFRS. The Company uses non-IFRS measures to provide investors with supplemental measures of its operating performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. The Company’s management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess the Company’s ability to meet its future debt service, capital expenditure and working capital requirements.

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

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

MINERAL RESERVES AND MINERAL RESOURCES

The estimated mineral reserves and mineral resources for Oceanus' properties have been calculated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines as prepared by the CIM Standing Committee on Reserve Definitions, as well as the requirements of NI 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). The following definitions are reproduced from the CIM Standards:

A "**mineral resource**" is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.

An "**inferred mineral resource**" is that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An "**indicated mineral resource**" is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

A "**measured mineral resource**" is that part of a mineral resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

A "**mineral reserve**" is the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined.

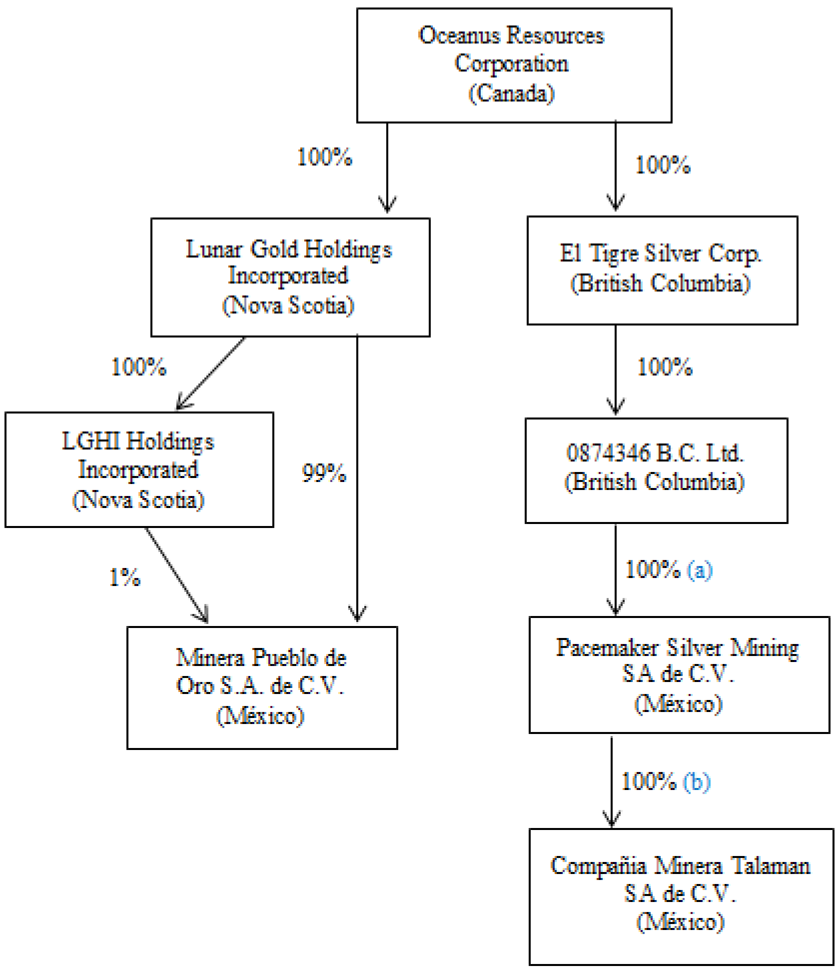
A "**probable mineral reserve**" is the economically mineable part of an indicated and, in some circumstances, a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

A "**proven mineral reserve**" is the economically mineable part of a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

THE COMPANY

Oceanus is a junior mineral exploration company engaged in the identification, acquisition, exploration and, if warranted, development of mineral properties. It currently holds two material properties: (i) the La Lajita property (the "**La Lajita Property**") located in Durango State, México and (ii) the El Tigre property (the "**El Tigre Property**") located in Sonora State, México. The properties are described in more detail below under the heading "*Mineral Projects*".

Oceanus was incorporated on June 14, 2010 pursuant to the provisions of the *Canada Business Corporations Act* ("**CBCA**"). The head office of the Company is located at Suite 2108, Purdy's Tower Two, 1969 Upper Water Street, Halifax, Nova Scotia B3J 3R7 and its registered office is located at the same address. The following diagram sets out the intercorporate relationships among Oceanus' subsidiaries as of the date of this Prospectus, including the percentage ownership of voting securities and the jurisdiction of formation or existence of each subsidiary:



Notes:

(a) - 1000 shares held by 0874346 B.C. Ltd. and 1 share held by El Tigre Silver Corp.

(b) - 1899 Shares held by Pacemaker Silver Mining SA de C.V. and 1 share held in trust by Randa Kachkar.

Oceanus is currently a reporting issuer or the equivalent in British Columbia, Alberta, Ontario and Nova Scotia, and files its continuous disclosure documents with the securities regulatory authorities in such provinces. Such documents are available on SEDAR at www.sedar.com. Upon obtaining a receipt for this short form prospectus in connection with the Offering, Oceanus will be a reporting issuer or the equivalent in all the provinces of Canada, except Québec and will file its continuous disclosure documents with the securities regulatory authorities in such provinces.

DESCRIPTION OF THE COMPANY'S PRINCIPAL MINERAL PROJECTS

El Tigre Property

The technical information in this section regarding the El Tigre Property is extracted in its entirety from the technical report titled "NI 43-101 Technical Report Preliminary Feasibility Study for the El Tigre Silver Project, Sonora, México" effective as of June 1, 2013 and dated August 15, 2013 (the "**El Tigre Technical Report**") prepared by Zachary J. Black, SME-RM and Jeffrey W. Choquette, P.E. of Hard Rock Consulting, LLC ("**HRC**").

Project Description, Location and Access

Location of the Project, Means of Access and Nature of Interest

The El Tigre Property is located in the Sierra El Tigre of northeastern Sonora, México, approximately 90 kilometers south-southeast of the border town of Aqua Prieta. The property is centered at 30° 35' 15" north latitude, 109° 13' 23" west longitude on the Colonia Oaxaca 1:50,000 topographic map sheet (H12B66) of the Servicio Geologico Méxicano ("**SGM"**). The El Tigre Property is situated on the steep western slope of the Sierra El Tigre, at elevations between 1500 and 2000 meters above sea level. Local terrain is rugged, and is drained by tributaries of the Rio Bavispe through several cliff-forming bedrock formations. Vegetation ranges from upper Sonoran yucca-ocotillo, to manzanita-oak-pinyon- chaparral, to pine forests at the highest elevations. There are few permanent streams and human activity is limited to prospecting, game hunting, cattle ranching and local forestry.

From Aqua Prieta, the El Tigre Property can be accessed by driving 75 kilometers south over Mexican Highway 17 to the town of Esqueda, and 45 kilometers east from Esqueda over dirt road to the El Tigre Property. The last 5 kilometers of road leading to the El Tigre Property is steep but traversable, and road improvements were completed in several places to allow safe passage of drilling and support equipment. Improvements included grading, widening the road in a few spots, adding minor fill in a few locations, and installing some ditches and water bars. Although the area is dry most of the year, provisions for drainage during the monsoon period have been employed in order to maintain the road surface for long term use.

The property consists of eight Mexican federal mining concessions encompassing 21,842.78 hectares (218.4 square kilometers). El Tigre, the Company's wholly owned subsidiary, indirectly owns all of the securities of Pacemaker Silver Mining S.A. de C.V. ("**Pacemaker**") which in turn controls Compania Minera Talaman S.A. de C.V. ("**Talaman**") which controls 100% of four of the concessions. Pacemaker controls 100% of the remaining four concessions comprising the El Tigre Property.

Mineral exploration and mining in México are regulated by the Mining Law of 1992, as amended in 2005, which establishes that all minerals found in Mexican territory are owned by the Mexican nation and that private parties may exploit such minerals (except oil, gas and nuclear fuel minerals) through mining licenses, or concessions, granted by the federal government. A mining concession gives the holder both exploration and exploitation rights subject to the payment of relevant taxes. Mining concessions have a term of 50 years from the date the exploration or exploitation concession was registered and are renewable for an additional 50 year term. Concessions may be granted to (or acquired by, since they are freely transferable) Mexican individuals, local communities with collective ownership of the land known as "ejidos", and companies incorporated in México pursuant to Mexican law.

Responsibility for the mining sector belongs to the Secretaria de Economia, while the environmental permitting responsibility resides with the Secretaria de Medio Ambiente y Recursos Naturales. Mining concessions must be registered with the Registro Público de Mineria.

Mexican mining law requires a concession applicant to contract a professional land surveyor licensed for that type of work (referred to as a "**Perito Minero**") to locate the corners and boundaries of the concession with respect to a substantial physical concession location monument (referred to as a "**Punto Partido**"). The Punto Partido is constructed at a prominent location within the concession by the applicant. It is painted white and the name of the claim is painted, engraved or affixed in some other permanent manner to it. The Perito Minero locates the Punto Partido very accurately in Universal Transverse Mercator Grid ("**UTM**") coordinates with a specified datum. The corners of the concession are surveyed in and also located in UTM coordinates using the Punto Partido as the principal reference point. The survey data from that location work becomes the legal description of the concession when the concession is granted. Although some corner markers may become lost or destroyed over time, corner locations can always be recovered by survey with respect to the Punto Partido. A concession owner is obliged to maintain the Punto Partido of the concession in identifiable condition and, after the concession has been granted, the owner must affix the number of the concession to the Punto Partido. Generally, the corners of a concession are not physically located again unless a legal dispute requires it to be done. The precise UTM locations of corners listed in the legal description of the concession serve as location references.

Under Mexican mining law, tailings revert to the owner of the surface estate once the concession owner who created the tailings allows the concession to lapse. Currently, ownership and responsibility for the tailings at the El Tigre Property belongs to the owner of the surface estate, which in this case is a private land owner. On September 13, 2011, El Tigre completed the full consolidation of the El Tigre Property by signing an option agreement with Martin Lopez Lauterio for the surface land and tailings from the historic operation of the Lucky Tiger Combination Gold Mining Company ("**Lucky Tiger"**) of Kansas City, Missouri.

Taxes, Royalties, Back-In Rights, Agreements and Encumbrances

A 10 percent net smelter returns royalty, calculated on the gross proceeds less defined operating, refining, exploration, administrative, tax and depreciation costs, is included for all of the metal produced, as required by the agreement El Tigre has with Lucky Tiger.

Risk Factors, Permitting and Environmental Liabilities

During preparation of the El Tigre Technical Report, El Tigre identified current potential environmental liabilities, as follows:

- Any new surface disturbances for roads, processing facilities, or buildings will need to be reclaimed;
- The planned tailings impoundment will need to be reclaimed; and
- Any new disturbance in the area of the tailings to be mined will need to be reclaimed after mining is competed.

Necessary reclamation actions are planned to be undertaken by El Tigre to mitigate the above identified disturbances during or following the tailings operation, as well as to take appropriate actions to avoid environmental impacts during operations.

Under Mexican mining law, an environmental impact statement must be issued for any expected surface land disturbance ("**Environmental Impact Statement**"), such as road building or mining, and must be filed with the Secretaría de Medio Ambiente y Recursos Naturales ("**SEMARNAT**"). It must describe the work to be done, any surface disturbance planned and what measures will be taken to mitigate surface and other environmental disturbance. If it is determined that environmental disturbance will be significant, posting of a reclamation bond may be required before work can continue.

Pacemaker, completed an Environmental Impact Statement on January 2012 for drilling on its concessions. No reclamation bond was required to conduct the work, though the Company has committed to performing reclamation with limited contouring and seeding. A second Environmental Impact Statement was submitted for development of the tailings pile. Approval was granted on July 18, 2013, allowing El Tigre to process the tailings pile. As of the effective date of the El Tigre Technical Report, El Tigre had or had in-process all the permits and registrations required to operate the tailings reprocessing.

History

In 1886 James Taylor, an American prospector, discovered visible gold in a red hematite, iron-clay gangue near Gold Hill about a ½ mile south of the El Tigre Property. This discovery lead to the formation of Lucky Tiger. Mining began in 1903. Initial production was focused on the recovery of gold, but the silver contained within the ore was found to be of a much higher value, and the focus was shifted toward the recovery of silver.

Modern exploration was initiated in 1981 by Anaconda Minerals Company ("**Anaconda**") through its wholly owned subsidiary Cobre de Hercules ("**Cobre**"). Their exploration efforts lasted 29 months and were terminated at about the time that Anaconda shut down all mining and exploration activities. The 29-month exploration program initiated by Anaconda included surface geological mapping at 1:10,000 and 1:2,000 scales, underground prospect surveying, underground geological mapping at 500 scale, diamond drilling of the vein structures with 22 holes totaling 7,812 meters, 352 meters of exploration drifting of the Fundadora vein, road rebuilding from Esqueda, drill pad road construction, aerial photography, petrographic studies, tailings surveying, sampling and metallurgical test work of the tailings, maintenance of the legal land status of the concessions, and production of land-controlled photogrammetric base maps.

Geochemical Data

The Anaconda data recovered by Pacemaker contains numerous underground and drill assays. Anaconda also conducted surface soil and stream sediment geochemical surveying. Unfortunately, most of the records of that work have not been recovered. The only document relating to that work that has been recovered is a short progress report on the work. In that report, ten geochemical anomalies are identified in the larger region surrounding the El Tigre Property. The spacing of soil and stream sediment samples is unknown, but the progress report suggests that the sampling was sparse. Although Anaconda's geochemical work on the property cannot be verified, the work was completed by exploration professionals of good repute and the anomalies they have identified can reasonably be used as a guide to further exploration and is assumed to be a first-pass sampling program. It is unknown whether Anaconda did any follow-up work based on the results of the initial geochemical survey.

Drilling Data

The database of historical drilling compiled by Pacemaker contains collar locations, geological drill hole logs and down-hole assay information for 22 diamond drill holes totaling 7,812.65 meters that were drilled by Cobre. All holes were surveyed in a local mine grid with down-the-hole Sperry-Sun instrument surveys to determine the location of vein intercepts and other geologic features at depth. All drill holes were inclined, between minus 40 and minus 61 degrees, and hole lengths varied from 140 to 650 meters.

Historical Production

Many of the known veins in the El Tigre Mining District (the "**District**") have been mined or prospected to some extent, leaving mineralized exposures open for examination. The old mine on the El Tigre Property was essentially a silver-gold producer developed on the three veins of the belt's southern half. Mining in the District was active from 1903 to 1938.

During the early years of mining, milling and cyanide leaching of the tails, the operation shipped hand-sorted high-grade ore, gravity concentrates and bullion. It was reported that overall silver and gold recovery was 93% to 95%. The feed to the mill was approximately 30 to 40 ounces per ton ("**opt**") in silver and 0.10 to 0.15 opt gold. The high-grade hand-sorted ore and gravity concentrate each ran about 350 opt silver and 1.5 opt gold.

Mines on the El Tigre Property reported production through 1927 was 1,198,447 metric tons averaging 1,308 grams per ton ("**gpt**") Ag, 7.54 gpt Au, 0.4% Cu, 1.1% Pb, and 1.5% Zn. This is equivalent to 50.4 million ounces of silver and 290,500 ounces of gold produced through 1927. Minor tonnages were produced from Aguila, Fundadora, Protectora and Escondida veins. The El Tigre vein was the largest silver producer in the District during its operation. Historical records indicate that the mining cutoff grade in the old mine of the El Tigre Property was about 15 opt Ag. It is probable that substantial material grading in the range of 5 to 15 opt Ag remains in the mine as un-mined blocks and backfill. Exploring for this material will be difficult, but can be accomplished with an aggressive drilling effort and opening up the underground workings for sampling.

Geological Setting, Mineralization, and Deposit Types

Geological Setting

The Sierra El Tigre is one of the large mountain ranges within the basin and range physiographic province extending from northern Nevada to Zacatacus and Jalisco in México. The range hosts a number of México's most historically important mineral deposits. The El Tigre Property is located on the eastern flank of the Sierra El Tigre.

The Sierra El Tigre is part of the massif of the Sierra Madre Occidental and was formed during Cenozoic extensional faulting, which consists of northerly-trending horsts and grabens. The Sierra Madre Occidental belt is a 1,200 kilometers by 300 kilometers northwest trending volcanic plateau composed of thick accumulations of andesitic to rhyolitic volcanic rocks extending from southeastern Sonora to Queretaro. The central Sierra El Tigre consists of a thick sequence of Tertiary volcanic rocks overlying granitic basement in the south, Pre-Cenozoic alluvial fanglomerates in the west, and Paleozoic bedded limestones in the north. Block faulting and the intrusion of several andesitic and rhyodacite stocks and dikes have broken up much of the original volcanic stratigraphy.

Mineralization

Silver and gold mineralization at the El Tigre Property appears to be hosted in faults along the eastern part of a major, north- trending fault system, which forms the eastern boundary of the central horst block of the Sierra El Tigre. The horst block is an anomalous structural high in the region, exposing Paleozoic limestone and Precambrian granite in the District. The faults that host the productive veins in the District are graben-bounding faults for the graben block on the east side of the Sierra El Tigre (west side up, east side down). The presence of high-grade, epithermal precious metals veins in graben-bounding faults is a common occurrence in many major epithermal Au-Ag districts worldwide. The intersection of the fault zone with the margins of a suspected caldera is a similarly favorable environment seen in many camps, and this relationship should be investigated further in continued exploration in the region.

Silver, gold, lead, zinc, and copper mineralization occurs mostly in fissure veins within a narrow, north-trending belt approximately 5.3 kilometers long. There are 8 known veins in the vicintiy of the El Tigre Property. The veins are grouped according to their location. The Sooy vein, the El Tigre vein**,** the Seitz-Kelly vein and the Combination vein comprise the southern area. The Aquila vein, the Escondida vein, the Fundadora vein and the Protectora vein reside in the northern portion.

The veins formed along structurally prepared fissures that generally dip steeply to the west although steep dip reversals to the east occur in some sections of the veins. Vein mineralization consists of quartz and varying proportions of zinc, iron, lead, copper, and silver sulfides with silicified or argillized fragments of host rock. Gold in minor amounts is associated with copper-silver sulfides. The mineralization occurs in discontinuous lenses of elongated high-grade sulfides along the veins and as low-grade impregnations in the vein gangue material. A common feature of many of the ore bodies in the historic mine was that they were often much longer along strike than down dip. Vein dilatency has been identified as one of the primary ore controls in the mine and showed that deflections of the vein gave rise to the characteristic horizontal elongation of the higher grade ore bodies. Intense alteration and fracturing of the brittle volcanic units along the veins hosts oxidized disseminated stockwork mineralization.

Metal zoning data collected during Anaconda's investigation suggest that the upper portions of the veins, which are at higher elevations on the property (Gold Hill where the original high-grade gold discovery was made) host bonanza grade gold mineralization in discrete veins and disseminated lower grade material in the altered stockwork zones.

The principal veins consist predominantly of gangue material, up to 80 to 90% of vein volume, including silicified rock fragments, quartz, gouge, rock flour, clays and minor calcite, in that order of abundance. The silicified fragments are angular to subangular, ranging in size from a few millimeters to 15 to 20 centimeters across. Larger blocks or slabs, detached from the walls by faulting, occur in places and are crisscrossed by hairline fractures, with or without quartz or sulfide filling. Quartz occurs in lenses, bands, fragments, dissemination, and breccia matrix and is the major single gangue mineral in the vein. Rock flour, partially indurated, gouge, and clays occur throughout the vein in minor amounts as breccia matrix and fault linings. Minor calcite occurs in irregular veinlets and locally associated with ore sulfides.

Mineralization consists of pyrite, sphalerite, galena, argentiferous galena, chalcopyrite, tetrahedrite, and covellite, in order of abundance. Tetrahedrite is represented by its argentian variety, freibergite. Gold occurs in the native state as micron-sized specks, or as impurities in galena and chalcopyrite. Sulfides occur in small amounts in the vein, averaging about 5% to 8% in volume, although in places they may reach 60% in lenses with banded structure. Massive, coarse-grained, sphalerite and galena intergrowths are observed locally in those lenses with subordinate amounts of coarse- grained chalcopyrite and pyrite. Tetrahedrite is usually associated with chalcopyrite but may occur with any other sulfide. Fine-grained argentiferous galena is found associated with pyrite and quartz with little or no sphalerite in places. Pyrite occurs alone or with other sulfides in lenses and in clusters or patches of strong dissemination. It also fills numerous irregular veinlets in large rock fragments and slabs in the vein and in the wall rock. Quartz, in substantial amounts, is essential in all the occurrences mentioned above. An important amount of ore sulfides occur as vein fragments and crushed sulfides; grain size varies from virtually pulverized to fragments ranging in size from a few millimeters to a few centimeters. Larger fragments usually preserve their textures, but are subordinate in volume to crushed sulfides. Pulverized sulfides, mostly pyrite, occur along the walls of the vein. Sulfide dissemination is, except for pyrite, restricted to rock fragments or massive quartz in the vein. Occasional drusy structures near the center of the vein are typically lined with pyrite.

Geologic Controls

Mineralization in the District is controlled almost entirely by secondary structural features: faults and their concomitant breccias, fissures, fractures, and fracture zones. All of the veins described in the District, host mineralization in one or more of the structural features listed above. Lithologies of the volcanic sequence appear to have had little or no chemical control on mineralization. On the other hand, the various physical properties of volcanic sequence has influenced the nature and extent of openings available for mineralization.

Deposit Types

The veins at the El Tigre Property closely resemble those forming quartz-adularia, low sulphidation epithermal deposits. Epithermal deposits, as classically defined, are the products of igneous-related hydrothermal activity at shallow depths and low temperatures, with deposition normally taking place within approximately 1 kilometer of the surface in the temperature range of 50 to 300 °C. Most deposits are in the form of quartz veining and related stockworks and breccias. These open-space fillings are common and, in most deposits, is the dominant mode of mineralization. Drusy cavities, cockade structures, crustifications, and symmetrical banding are generally conspicuous. Colloform textures characteristic of epithermal environments presumably reflect relatively low temperatures (e.g., shallow depths) and hydrothermal fluid circulation through open spaces formed by mechanical anisotropies such as networks of fractures, contacts between units with dissimilar mechanical properties, and/or cross-cutting structures, intrusive bodies, and shears.

There are two types or styles of silver and gold mineralization found in the region of the El Tigre Property. The first and best-known are the fissure veins that host silver, lead, zinc, copper and gold mineralization within a narrow, 5.3 kilometers-long, north-trending belt. The second is the undeveloped low grade stockworks halo near the veins. This mineralization is associated with fractured volcanic rocks and occurs as stockwork veinlets containing minor quartz, pyrite, chalcopyrite, sphalerite and galena. These systems usually have basic to neutral pH fluids enriched in potassium and silica. Very little evidence of boiling has been found in the El Tigre vein as it appears that the quartz and sulfides were deposited in a passive, low energy environment.

The veins occur along fissures that generally dip steeply to the west, although steep dip reversals to the east occur in some sections of the veins. Vein mineralization consists of quartz and varying proportions of zinc, iron, lead, copper, and silver sulfides; silicified/adularized or argillized fragments of host rock are usually part of the vein material. Gold in minor amounts is associated with copper-silver sulfides. The ore occurs in discontinuous lenses of high-grade sulfides along the veins and as low-grade impregnations in the vein material.

Exploration

Data synthesis and field work completed by El Tigre has identified five exploration targets at the El Tigre Property that warranted additional detailed field work. The five targets are listed below and are prioritized in order of expected potential,

- El Tigre-Seitz-Kelly veins and stockwork mineralization
- Gold Hill disseminated gold in altered El Tigre vein formation
- Fundadora–Aguila veins and breccia pipes
- Porvenir Canyon vein target on south side of Gold Hill
- Main El Tigre high grade vein target

After acquiring the historic data, Pacemaker contracted a number of geologists and engineers for data review and analysis in order to obtain recommendations as to how to proceed with further work on the property. Pacemaker also completed professional legal reviews of concession ownership and status, as well as concession maintenance fees.

In the fall of 2007, James A. Bradbury, P.E. ("**Bradbury**") analyzed the Anaconda and other data and proposed a low- grade silver mineralization target between the El Tigre vein and Seitz-Kelly vein. Bradbury stated that Anaconda reports had proposed that a low-grade mineral potential may exist that could be a considered an exploration target. Bradbury analyzed sample data from Anaconda surface sampling in the Espuelas Canyon area, as well as pre-1939 sample results from underground sampling on the 400 and 700 levels of the El Tigre mine. This target has been the focus of El Tigre exploration with surface rock chip sampling and drilling.

In April and June of 2008, Herbert E. Bradshaw ("**Bradshaw**") made a preliminary examination of the the El Tigre Property and the data that had been collected and recommended drilling exploration of three silver mineralization targets at the El Tigre mine. Bradshaw identified the three targets based on analysis of underground sample results collected in the 1930's and surface sample results collected by Anaconda in the Espuelas Canyon area. He recommended a drilling program of 16 core holes for a total of 2400 meters to test the targets. El Tigre conducted this program in early 2011, completing 11 holes.

El Tigre contracted Photosat Information, Ltd ("**Photosat"**) of Vancouver, British Columbia, to generate a series of base maps for the El Tigre Property. Using data from the Geoeye satellite, Photosat produced 100 km^2 of digital imagery with a 0.5-meter pixel resolution as well as a 45 km^2 of topographic coverage with a 10- cm vertical accuracy and 0.5 meter x 0.5 meter pixel size Digital Terrain Model Contour maps with 1 meter, 5 meter and 10 meter contour intervals were produced in Mapinfo formats. All work completed by El Tigre following receipt of the digital products from Photosat was completed using the World Geodetic System 84, UTM zone 12 projection in meters.

HRC, the consulting firm hired by El Tigre to draft the El Tigre Technical Report, was provided with a 1 meter resolution aerial topography file as a 3D AutoCAD dwg file. Additionally geo- referenced surface images covering the topographic surface were provided. The provided topography covered approximately 494.53 hectares. HRC created a 3D topography surface for the entire area, and draped the images over the topography to assist in delineating the boundaries of the tailings pile.

Regional magnetics indicate two circular features possibly related to collapsed calderas to the east of the El Tigre Property. The larger one trends through the camp area and the faults that host mineralization may be associated with or be caldera collapse structures. A second smaller potential caldera resides inside the larger one and is represented by a strong magnetic low. Several circular tectonic features, possibly collapsed calderas, and associated north-trending linear fractures, are readily observed on band 5, thematic mapper landsat images and on regional magnetics.

During October 2009, Lucas Ochoa Landin conducted a field review including mapping and sampling. He mapped the Espuelas Canyon area, where the veins cross the canyon bottom, and a portion of Mula Mountain and Gold Hill in order to better identify the geology and sources of mineralization.

2010 Exploration Program

El Tigre geologists observed intense silicification, sericitization, iron oxides and fine dark sulfide mineralization in faults, veinlets and shears semi-concordant to the El Tigre vein, Sooy vein and Seitz-Kelly vein. This alteration extends southward for two kilometers to Gold Hill and offers an encouraging new perspective on the potential size of the mineralized system.

El Tigre conducted a detailed, alteration and mineralization mapping program from July through September 2010. Rock chip samples were collected of individual altered and mineralized zones. Lithology, alteration, and mineralization are noted on maps and sample cards for geochemical analysis. Approximately 170 rock chip samples were collected in July 2010 and were sent to Skyline Assayers and Laboratories ("**Skyline**") in Tucson, Arizona. Reconnaissance sampling tested numerous targets over a 1.5 x 2.0 kilometer area covering Mula Mountain and Gold Hill. Four smaller targets within the Gold Hill area were identified from the 2010 exploration program: Johnny Crosscut Mine, Gold Hill (El Tigre vein hanging and foot wall mineralization), Porvenir Crosscut (tabular and El Tigre vein formation contact on the southern end of Gold Hill); and Mula Mountain Dome (tabular formation just west of the Brown's shaft). El Tigre exploration was focused on Gold Hill and the Johnny Crosscut Mine.

- Johnny Crosscut Mine: Seven surface samples were collected in the Johnny crosscut area during the 2010 sampling program. Both the hanging wall and footwall of the El Tigre vein was sampled with grades ranging from 0.144 to 1.465 gpt gold and 3 to 74 gpt silver. The samples are not representative of the thickness or average grades encountered at specific sample locations. This mineralization has been postulated to be the northern extension of the intercepts in the historical Anaconda holes T-2 and T-3, 400 meters to the south.

- Gold Hill: Surface cover obscures the outcrop of the projected mineralization of historical Anaconda holes T-2 and T-3. However, three samples collected from the limited surface rock outcrops in the hanging wall of the El Tigre vein yielded assays from 0.169 to 0.284 gpt gold and 0.7 to 163 gpt silver. The samples are not representative of the thickness or average grades encountered at specific sample locations.

2011 Exploration Program

Field work continued to target the hanging wall alteration zone of the El Tigre vein structure at Gold Hill. 215 rock chip samples were collected along this prospective zone ranging from 0.009 to 3.5 gpt gold and 1.0 to 412 gpt silver. The samples are not representative of the thickness or average grades encountered at specific sample locations.

Additionally, a large rock outcropping of stockwork fractures and brecciated zones within the hanging wall tuffs of the El Tigre vein was sampled**.** The following table summarizes the assay results from this surface zone.

Selected Gold Hill rock chip sampling results

Rock Chip Sample #	Surface Width (meters)	Au gpt	Ag gpt
ET-286	5	0.32	1.6
ET-287	5	0.59	1.6
ET-288	5	0.69	4.5
ET-289	5	1.37	20.3
ET-290	5	0.45	9.0
ET-291	5	0.97	10.6
ET-292	5	1.66	10.9

During the 2010 and 2011 sampling program, 1,328 rock chip samples were collected. These were analyzed at Skyline and ALS Minerals ("**ALS**") in Hermosillo, México and Vancouver, Canada.

2012 Exploration Program

The 2012 exploration program was again focused on the 1 kilometer long zone centered on south Mula Mountain to Gold Hill. New sampling was done on several waste dumps to determine their average gold and silver grades. These dumps included the Level 7 main haulage dump, a second Level 7 waste dump past the old mill area, the Level 4 waste dump, and Tigre Viejo Canyon waste dump. Some of the sampling also included rock-sawed channel samples that were collected within the Johnny Crosscut Mine, along some road cuts, and the Level 4 portal area. The total number of samples collected during the year was 645 samples. These samples were sent to Inspectorate America Corporation ("**Inspectorate**") in Hermosillo, México for sample prep and Reno, Nevada for gold and silver analysis.

Historical Mine Dumps

The Level 7 dump contains considerable vein material that was mined but was either too low grade to go to the mill or was mixed with waste material. The Level 7 Dump is 145 meters long and 45 meters wide across the top and down to the creek drainage.

Rock chip sampling focused on the better exposed material on the top edge and down the flanks of the dump. The Sampling program of the level 7 dump was conducted over the top and front face of the dump and spaced every 10 to 20 meters. Each of the 44 samples consisted of 10 kilograms of representative material at each site. The average silver assay of the 44 samples was 230 gpt (6.7 oz/ton), and ranged from 16.3 to 937 gpt. Gold averaged 0.89 gpt (0.026 oz/ton) within a range of 0.064 to 5.3 gpt. The samples are not representative of the thickness or average grades encountered at specific sample locations. The below table summarizes the trace elements of the 44 samples analyzed in the rock chip sample program.

Average Sample Grades of the Waste Dump Sample Program

Constituent	Average (gpt)	Max (gpt)	Minimum (gpt)
Copper	100	809	2
Lead	2780	24,300	97
Zinc	1620	9920	192
Minor Metals			
Antimony	275	1010	22
Arsenic	58	121	27
Cadmium	15	103	1.6
Molybdenum	5	17	1
Other Elements			
Iron	1.52%	2.87%	0.77%
Manganese	250	786	59
Sulfur	0.58%	3.0%	0.18%

Historical Tailings Impoundment

In the summer of 2011 El Tigre collected 43 channel and pit samples. The sample material consists of very fine crushed rock with the consistency of coarse flour. Channel sampling was completed by channeling a total of 410 meters down the sides of the tailings pile at 25 meter spacing with 1.5 meter intervals from the top of the impoundment to the base. Sample intervals were broken at material color changes that correspond to different levels of oxidation from the original ores. These layers, from the bottom to the top, are red (fully oxidized, mined first), grey (partially oxidized), and yellow (sulfide, mined last). The following table reports the average silver and gold values from each layer reported in grams per ton. Silver values ranged from of 54 to 157 gpt, and gold values ranged from 0.164 to 0.988 gpt. Samples were prepped by ALS in their Hermosillo, México laboratory and then shipped to their laboratory in Vancouver, Canada for analytical test work. The following table summarizes the trace elements of the historical channel sample program.

Average Sample Grades of the Historical Tailings Impoundment Channel Sample Program

Constituent	Average (gpt)	Max (gpt)	Minimum (gpt)
Copper	185	370	100
Lead	1190	2590	720
Zinc	1380	4860	260
Minor Metals			
Antimony	115	220	70
Arsenic	58	100	-50
Cadmium	17	50	-10
Molybdenum	32	50	-10
Other Elements			
Iron	8100	14700	5200
Manganese	317	1120	60
Sulfur	3300	6800	1600

Drilling

Five drilling programs have been conducted to test various targets and veins on the El Tigre Property In the 1980's Anaconda completed 22 HQ and NQ diamond core holes and in 1995, the consulting firm, Minera de Cordillaras, completed a four-hole reverse circulation drilling program for a total of 890 meters on behalf of a third party interest. These holes were intended to test the concept that the deeper part of the vein system was faulted bringing the veins closer to the surface. Assays are available for these holes, but the collar location of the holes is unknown. The final three programs were completed by El Tigre in 2011, 2012, and 2013. A summary of the drilling campaigns on the El Tigre Property is shown in the following table.

The El Tigre Property Drill Program Summary

Company	Year	Core Holes	Total Meters
Anaconda*	1982-83	22	7,812.65
Minera de Cordillaras**	1995	4(RC)	890.00
El Tigre Silver	2011	10	2,313.35
El Tigre Silver	2012	11	2,235.77
El Tigre Silver	2013	38	4,861.90
Totals			**17,223.67**

** Subset of drilling used in the estimation of mineral resources*
*** Drill program not used in the mineral resource estimation*

El Tigre conducted an additional two drilling campaigns on the material within the historical tailings impoundment. The first program was conducted in 2011 and consisted of 46 straight stem auger holes totaling 315.4 meters. The second campaign included 7 core holes completed in 2013 for 129.9 meters.

Based on the results of the 2010 exploration program, El Tigre drilled 10 core holes into four targets along the southern projection of the El Tigre vein system in early 2011. Mineralization in the veins was projected at least 300 meters vertically below the surface to Level 7 of the El Tigre mine. The results confirmed that the El Tigre vein, along with other intercepted veins and stockwork zones, continued both down dip and along strike of the overall mineralized system. The individual drill targets are described below:

- Espuelas Canyon - Disseminated argentite-galena mineralization encountered on the surface and in the Level 4 crosscut;

- Mule Mountain - Quartz-sericite-pyrite-galena stockwork, veins and veinlets in the hanging wall of the Seitz Kelly vein on Level 7;
- Tigre Viejo Canyon - Quartz-sericite-pyrite-galena stockwork, veins and veinlets near the intersection of the El;
- Tigre, Seitz Kelly, and Sooy veins on Level 7; and
- Gold Hill - Disseminated and quartz veinlet controlled gold mineralization outcropping in the Tigre Viejo Canyon, and mined in stopes on Gold Hill.

As part of El Tigre's 2011 exploration program, a full examination of the tailings impoundment was continued. El Tigre drilled hollow stem auger holes to obtain samples in the thicker area of the impoundment. The tailings consist of three color types and from bottom to top are red oxide, grey mixed oxide-sulfide and yellow sulfide. The drilling program was designed to obtain sufficient samples from each of the color types to be composited for metallurgical test work.

At the end of November 2011, a 46-hole hollow stem auger drilling program was completed on the tailings pile. The holes were drilled with a 30 centimeter (one-foot) diameter auger bit and averaged about 7.5 meters deep. Assays from the auger drilling program (silver, gold and other minor elements) were conducted by ALS in Vancouver, Canada. This program produced 212 samples from the 46 auger holes totaling 315.4 meters. Due to the homogenous nature of the tailings pile the results from hole to hole were similar.

The 2012 El Tigre's drilling program was focused entirely on Gold Hill to follow up on the wide lower grade gold intercepts found in the 2011 holes ET-1 and ET-2, and in the historic holes of T-2 and T-3. Land Drill International México, SA de CV of Hermosillo, México was commissioned to complete the HQ diameter diamond core holes. The program began in March of 2012 and concluded in mid-May. The drilling program consisted of 10 HQ diameter core holes totaling 2235.77 meters.

In 2013, an expanded drilling program was conducted over the northern portion of Gold Hill with most of the effort expended on the southern flank of Mule Mountain, both north and south of the Brown's shaft. The last drill hole of the 2013 campaign was drilled at near the summit of Mule Mountain. The 2013 drilling program was conducted by Major Drilling de México SA de CV of Hermosillo, México from January 18, 2013 to April 10, 2013. The drilling program consisted of 38 HQ diameter core holes totaling 4,862 meters.

At the completion of the 2013 in-situ vein area drilling, El Tigre moved the core rig down to the tailings impoundment to obtain additional samples for assaying and to intercept the contact of the tailings to the underlying soil horizon. This was done to assist in building a more reliable volume calculation for the resource model of the tailings pile. A total 7 HQ diameter diamond core holes totaling 132 meters were completed.

Interpretation

HRC visited the site and observed the core handling, logging and sampling procedures of El Tigre and concluded the procedures met current industry standards. Locations and elevations of all El Tigre's drill holes have been surveyed and the locations and elevations of historical drill holes have been resurveyed where available. HRC is of the opinion that El Tigre meets or exceeds industry best practice in conducting its drilling and logging programs.

Sampling, Analysis and Data Verification

Sampling

El Tigre has conducted extensive geochemical rock chip sampling and completed three core drilling campaigns since 2010. In order to establish exploration drill hole targets and support mineral resource estimates within the 2 kilometers strike length of the El Tigre vein system, El Tigre has collected surface outcrop, dump, underground channel, and surface channel samples. Additionally test pit and trench samples were collected on historical tailings impoundment.

(a) Surface Channel Samples - Chip channel samples are marked by a line at each end of the channel and are collected across zones of mineralization, alteration, and structure by taking continuous (approximately 10 cm width) chips from a saw cut, geologically defined traverse. The sample is chipped from the face with a mallet and chisel and captured by a large canvas. The canvas is cleaned after each sample has been taken and a lithologic description is recorded. The samples range from 1 to 2 meters long, depending on degree of mineralization and weigh approximately 3 to 6 kilograms. Their location is recorded by a Garmin hand-held GPS unit.

(b) Underground Mine Channel Samples - Underground channel samples are marked by a line at each end of the channel and are separated by structure and rock type. The sample site is cleaned with a wire brush to remove any dust and a 3 to 6 kg sample is chipped from the face with a mallet and chisel and captured by a large canvas. The canvas is cleaned after each sample has been taken and a lithologic description is recorded. The sample bags are numbered and sealed with a sample tag inside. Individual samples are placed into numbered sacks of 10 each along with the appropriate blanks and standards and stored in a locked warehouse at the camp site until shipped. Samples are transported by El Tigre personnel to Hermosillo, México where they are shipped by a contractor to the assay lab facility. The samples are located on underground maps and usually associated with a surface point by GPS.

(c) Rock Chip Samples - As with the channel samples, single point rock chip samples are collected from an area of 1 to 2 meters in diameter. Multiple chips are collected from different points in the sampling area with a resulting weight from 1 to 3 kilograms. The chips are bagged and the same protocol is applied as with the channel samples. The location is recorded with a hand held Garmin GPS unit.

(d) Tailings Impoundment Test Pit Samples - Six test pits were either hand dug or a vertical channel of an eroded gully were sampled. These 6 samples were generally short due to poor access to either higher levels of the gully or depth to be hand dug. Samples were collected and placed into a large plastic bag. Samples generally weighed between 10 to 30 kilograms. Because of the size, they were taken to the camp storage facility and split with a Gilson splitter down to 5 kilograms. These smaller sample bags were then placed into a large transport bag along with the other tailing samples derived from the long channel sampling effort.

(e) Tailings Impoundment Channel Samples - 22 channel samples were collected down the flanks of the tailings pile. A total of 37 samples were collected. The channel sampling consisted of digging a 10 cm wide by 10 cm deep channel from the top of the pile to the bottom. The sample interval was applied to the colored layer that the channel taken. Essentially, most of the channels crossed the three color layers so each layer could be analyzed separately. The samples were taken to the camp storage facility and split down with a Gilson splitter to about 5 kilograms if they were too large.

Once the samples are collected from either the drill rig or field sites, they are taken to the on-site, fenced storage facility behind the main office/camp building. Here they are recorded onto a lab submittal sheet and bagged. Once they leave the camp area, they are under constant control of an El Tigre employee. These bagged samples are then taken by truck to Hermosillo, México to either the Pacemaker office storage area or taken to the laboratory processing facility. A shipment consists of 60 to 200 samples and these are sealed in large poly sacks. El Tigre personnel either transport the samples to El Tigre’s Hermosillo, México office for temporary storage or directly to the lab’s receiving facility in Hermosillo, México. On occasion the laboratories personnel come to the Hermosillo, México office to transport the samples to their sample preparation facility. The prepared sample pulps are then sent by the prep facility to the lab’s assaying facility in either Canada or the United States for gold and silver analysis.

El Tigre used three different labs including: Skyline in 2010, ALS in 2010 and 2011, Inspectorate in 2012 and Skyline in 2012. Sample preparation by each of these labs is generally the same in the analytical industry. The one important fact is that El Tigre always sent samples to well-known and internationally recognized reputable laboratories with ISO/IEC 17025:2005 certification in the necessary analytical methods.

Once a sample arrives in the assay laboratory, it is given a unique bar code for tracking, weighed and dried. Original samples, field duplicates, and blanks were then prepared for assaying by crushing with a jaw crusher to >80% minus 10 mesh, split; and pulverized to >90% minus 150 mesh. This pulped material is then bagged and the samples are assayed from a 250 gram sample split. Gold is assayed by 30 gram fire assay followed by an AA analysis. Values over 10 parts per million ("**ppm**") gold are fire assayed with gravimetric finish. For silver and other trace elements, pulp is digested either in an aqua regia solution or a four acid total digestion and leach followed by either an AA scan for silver and/or an ICP-AES ICP Scan for 33 elements. Silver over limits are fire assayed. Pulps and rejects are returned to El Tigre's office and stored.

The laboratory used in the first half of 2010 was Skyline in Tucson, Arizona where about 300 rock chip samples were submitted for analysis. There is no evidence that standards were submitted with the samples. However, Skyline uses 20 cupola trays and they insert one to two internal standards for their control.

El Tigre changed laboratories mid-2010 to ALS in Vancouver British Columbia. With this change, El Tigre continued to submit numerous rock chip samples. Again, there is no evidence that El Tigre submitted standards, but ALS also had an internal quality control program in place.

In 2011 El Tigre conducted its first drilling program. El Tigre began inserting a limited number of standards, duplicates and blanks into the sample stream for analysis. In total, 20 blanks, 11 duplicates and 3 standards were submitted with the drill samples. The drilling program in 2011 was done by Major Drilling and all the assays were completed by ALS. The 2012 drill sample Quality Assurance-Quality Control program ("**QA-QC**") was greatly improved over earlier efforts. A total of 18 blanks, 23 duplicates and 7 standards were submitted with the drill samples. Again, for the most part, these samples passed quality control. Assays were completed by Inspectorate in Reno, Nevada with sample preparation completed in Hermosillo, México.

The 2013 drilling program was significant in that the volume of QA-QC samples tripled when compared to earlier drilling programs. The number of standards and blanks increased for each submittal of drill samples. Initially, field duplicate sampling was started with only two holes testing this QA-QC approach. It was stopped because it was not a true test of the assay lab repeatability but was a test of the disseminated characteristics of the mineralized material. Depending on how the original sample was split, repeatability of the original assay was good, with a just a few either marginally higher or lower. By the end of the sampling program, a total of 65 blanks, 4 duplicates and 65 standards were submitted with the drill samples to Skyline in Tucson, Arizona.

El Tigre has an active QA-QC program in place. Standards, blanks and duplicates are submitted with both rock chip and core samples as an assay check procedure. The remaining half of the drill core is returned to the core boxes and stored in the steel core shed on site.

El Tigre used one main standard for the drilling programs and submitted 82 standard samples for analysis at Skyline, ALS, or Inspectorate. The standard used was CDN-ME-12. The standard used was a commercially available, certified standard, purchased from CDN Resource Laboratories Ltd. in Langley, British Columbia. HRC reviewed the standards employed by El Tigre to insure reliable assay information throughout the database. The standard CDN-ME-12 performed as expected for silver. The mean of the analyzed standard silver was slightly higher than the certified mean, but the sample performed with a tighter standard deviation. Two samples were reported abnormally low, but are considered to be outliers in the overall analysis and are within the theoretical distribution of the standard. The standard CDN-ME-12 performed fairly well for gold. The mean of the analyzed standard gold was again slightly higher than the certified mean; however, the sample returned a large number of results outside of the recommended ±2 standard deviations.

Coarse blanks are used to monitor the integrity of sample preparation and are used to detect contamination during crushing and grinding of samples. The silver blanks performed extremely well with the vast majority reporting within a 90% confidence interval. The gold blanks performed reasonably well with the majority of results reporting below a 0.025 gpt. However, there is a large sample population in the skyline analysis results that are reporting at or above the 0.025 gpt limit. This could be a result of the assaying method, a systematic failure, or a problem with the blank being submitted. Each of the failures is similar in value and probably represents a problem with the blank material.

Duplicates are used to monitor sample batches for sample mix-ups, data variability due to laboratory error and sample homogeneity at each step of preparation. El Tigre used core duplicates during all drilling programs. In general, silver duplicates performed well with only 2 deviations. This represents only 4.8% of the sampled silver population. There was noticeably more deviation in the gold duplicate analysis. The core duplicate performance suggests that the sample size is adequate for silver, but may be too small for gold. The majority of deviations are all in samples less than 0.1 gpt Au, which would suggest this is not a nugget problem. Because of the standard performance, it may be too early to determine if this is a problem with the laboratory or with the samples.

The QA-QC program that El Tigre performed provided several key observations. The three labs used by El Tigre since 2010 are all internationally recognized and reputable. El Tigre found that of the three, both ALS and Skyline provided the most accurate and repeatable assays in both gold and silver. Inspectorate made some small mistakes that were not acceptable to El Tigre for future work. The analysis work provided by Inspectorate has been confirmed with ALS and is considered to be valid. El Tigre considers the impact of the errors identified in the individual laboratories on the overall resource model to be minimal.

HRC concluded that the sample preparation, security and analytical procedures are correct and adequate for preparing the El Tigre Technical Report. The sample methods and density were appropriate and the samples are of sufficient quality to comprise a representative, unbiased database.

Data Validation

(a) Tailings Impoundment Data Verification

El Tigre commissioned HRC to construct an exploration database from sample interval tables and electronic assay results files provided directly from the independent analytical laboratories.

A mechanical audit of 4 of the tables from the database (collar, survey, and assay) was completed using Leapfrog mining software. The database was checked for overlaps, gaps, total drill hole length inconsistencies, non-numeric assay values, and negative numbers. No additional overlaps were identified upon importing the data into leapfrog, and all of the gaps identified either correlated to mine workings and voids or to unassayed intervals.

At the request of HRC, El Tigre used a professional survey team to resurvey each collar location on the tailings impoundment. Each of the resurveyed collars was within the accuracy of a typical GPS and 1 meter resolution topography provides a better measure of elevation. As such the collars survey information is considered to be of sufficient quality for use in the estimation of mineral resources.

All auger and core holes were vertical with a maximum depth of 22.9 meters. Down-the-hole surveys are not considered to be critical for the type and extent of drilling conducted on the tailings. The channel samples were mapped on the surface and the samples were taken along a strike as measured by a Brunton compass.

The maximum depth on the survey, assay, and geology tables was checked as compared to the maximum depth reported in the collar table for each drill hole. No intervals exceeded the reported drill hole depths.

HRC received original assay certificates in a comma delimited format for all samples included in the current drill hole database. A random manual check of 10% of the database against the original certificates was completed. No significant errors outside of the missing interval reported for silver in Sample ID ET-625137 were identified.

(b) In-Situ Data Verification

HRC acquired the exploration drill hole data as each assay certificate was finalized. Drill hole data, including collar coordinates, reflex downhole surveys, sample assay intervals, geologic logs, and electronic assay certificates with QA-QC data were provided in an excel spreadsheets. HRC conducted a thorough audit of the current El Tigre Property tailings exploration drill hole database. The following tasks were performed as part of the audit:

- Create a direct assay certificate import from the unique sample numbers provided;

- Perform a mechanical audit of the database using Leapfrog mining software to check for overlaps, gaps, total drill hole length inconsistencies, non-numeric assay values, and negative numbers; and

- Validate the assay values contained in the database with assay certificates provided by El Tigre.

All discrepancies were checked against the PDF assay certificate and corrected in both data sets. No additional overlaps were identified upon importing the data into Leapfrog, and all of the gaps identified either correlated to mine workings and voids or to unassayed intervals. The maximum depth on the survey, assay, and geology tables was checked as compared to the maximum depth reported in the collar table for each drill hole. No intervals exceeded the reported drill hole depths HRC concluded that the data is adequate for the purposes of preparing an NI 43-101 compliant report on resources.

Mineral Processing and Metallurgical Testing

A metallurgical study of the material in the historical tailings pile was carried out in 2012. Four metallurgical samples were prepared from the tailings channel and auger hole samples through a rigorous protocol of splitting and blending material by color type. Each of the metallurgical samples weighed approximately 70 kilograms and consisted of red, white and yellow material. A fourth sample type consisting of black sulfidic mud was found in the center of the yellow layer and submitted for testing separately. This black material forms a very small percentage of the overall tonnage of the material in the impoundment, and has been excluded from further study.

Three metallurgical tests were performed to evaluate the most appropriate method for recovery of the remaining gold and silver within the tailings impoundment.

The individual samples used for the analysis were composites collected from areas throughout the tailings pile, and therefore the results of the analysis are considered representative of the types and styles of mineralization in the tailings pile and of the mineral deposit as a whole.

The study first analyzed the minerals contained in the various constituents of the tailings pile by x-ray diffraction and identified the following mineral species – quartz, orthoclase, muscovite and in some cases pyrite. The particles of gold and silver mineral species were not separately identified by this study, but were indirectly observed as a result of the cyanidization tests. The conclusion reached is that free gold is present and that silver is largely occluded and in submicroscopic sizes within mineral particles that constitute the gangue.

Three types of processes for the recovery of the gold and silver were tested:

a) cyanide leaching using bottles,;

b) cyanide leaching by attrition; and

c) cyanide leach in vats.

Each of these tests was performed without regrinding the feed sample. Additionally, a cyanide leach test using bottles after regrind of the feed sample was performed.

The tests concluded that cyanide leaching in bottles after regrind produced the best result in recovery. A precipitation test with zinc powder was performed for the final recovery of materials from the leach solution, which test showed a content of 0.905 kg/tn Au and 307.4 kg/tn Ag in the final precipitate.

An overall recovery of Au and Ag values predicted by the metallurgical tests was calculated by starting with the results of the tests for each type of material, as seen in the following table:

Metallurgical Test Results by Tailings Type

Sample	Dissolution %		Consumption (kg/tn)	
	Au	*Ag*	*NaCN*	*CaO*
ET-01 (Yellow)	99.86	84.00	2.400	1.500
ET-02 (Gray)	99.83	69.64	2.250	1.000
ET-03 (Red)	90.29	81.82	2.910	0.500

From the results of the analysis, there are no apparent deleterious elements that would have a significant effect on potential economic extraction. The recommended process for beneficiation of the tailings material is in wide-spread commercial application.

As a result of the metallurgical testing, a regrind of the tailings from the tailings pile, followed by agitated cyanide leach and Merrill-Crowe zinc precipitation was chosen as the processing methodology for the historical tailings at the El Tigre Property. The recovery percentages for silver and gold from the metallurgical testing, 77.78% and 93.25% respectively, are projected to be the weighted average recoveries achieved by the processing plant in operations.

Mineral Resource and Mineral Reserve Estimates

Mineral Resource Estimate

a) Tailings Impoundment Mineral Resource Estimation

HRC estimated the mineral resource for the tailings material from drill hole data, using controls from the color designations and a dual kriging approach to model the homogenous tailings material.

A model of the tailings impoundment's lower elevation was completed using Leapfrog mining software. An outline of the tailings impoundment boundary was mapped from the aerial photography provided. The boundary was combined with the 7 core holes' bottom depth to create a surface representing the bottom of the tailings pile. The surface was then checked against the auger holes to ensure that no auger holes penetrated the bottom surface. The surface was tagged to the bottom elevation of the auger holes if it was penetrated by the hole. The total volume of the tailings was estimated to be 632,790 m^3.

Three colors representing metallurgical domains were established in the metallurgical study conducted in 2012. Red, gray, and yellow domains representing material of differing oxidation levels from the El Tigre mine have been logged in the geologic tailings database. HRC constructed 3D shapes representing each color within the database and assigned metallurgical recoveries and density based on the domain.

The mineral resource estimate for the tailings impoundment area of the El Tigre Property is summarized in the table below. This mineral resource estimate includes all drill data obtained as of June 1, 2013, and has been independently verified by HRC.

Mineral Resource Estimate - Tailings

Classification	Volume	Tonnes	AgEq		Silver		Gold	
	m^3	(x1000)	gpt	t.oz. (x1000)	gpt	t.oz. (x1000)	gpt	t.oz. (x1000)
Measured	328	855	101.3	2,785	84.2	2,316	0.285	7.84
Indicated	165	439	96.7	1,364	80.6	1,138	0.267	3.77
Measured + Indicated Resources	493	1294	99.7	4,150	83.0	3,454	0.279	11.61
Inferred Resources	107	289	96.3	894	80.6	749	0.262	2.43

**Notes:*

(1) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.

(2) All resources are stated above a 40 gpt Ag Equivalent cut-off.

(3) *Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.*
(4) *Gold Equivalent stated using a ratio of 60:1 and ounces calculated using the following conversion rate: 1 troy ounce = 31.1035 grams. Metallurgical recoveries are not accounted for in the gold equivalent calculation.*

HRC estimated the mineral resource for the El Tigre Property from drill hole data, using controls from the main rock types and a single stage indicator approach to model the higher grade vein and lower grade disseminated styles of mineralization.

HRC created a three dimensional (3D) block model in CAE Datamine mining software. The block model was created with individual block dimensions of 3x10x10 meters (xyz). The model origin is located at 670,500 east, 3,383,100 north, and at an elevation of 1,400 meters above sea level ("**masl**"). The block model extends 1,200 meters (400 blocks) in the easting direction, 2,500 meters (250 blocks) in the northing direction, and vertically 1,100 meters (110 blocks) to an elevation of 2,500 masl. All of the block model coordinates are stored as UTM WGS 84, Zone 12 meters. All property and minerals within the block model extents are owned or claimed by El Tigre.

The present database has been built to include 59 HQ diameter core holes totaling 9,411.02 meters from the El Tigre drilling campaigns, 16 of 22 historical Anaconda holes totaling 5,546.15 meters, and a single underground channel sample from within the Johnny Crosscut Mine. The drill hole database contains gold and silver assay analytical information for 7,592 sample intervals.

The El Tigre Property resource is characterized by high grade silver and gold bearing veins, with a halo of relatively lower grade mineralization surrounding the veins, and low grade silver and gold disseminated between the veins. HRC chose a single stage indicator approach to model the portion of high grade vein material within each block, and then a separate estimate for the halo and inter-vein disseminated mineralization grade. This type of estimate limits the extrapolation of high grade mineralization into lower grade hanging wall and footwall units.

The mineral resource estimate for the El Tigre Property in-situ material is summarized in the table below. This mineral resource estimate includes all drill data obtained as of June 1, 2013, and has been independently verified by HRC. Mineral resources are not mineral reserves and may be materially affected by environmental, permitting, legal, socio-economic, political, or other factors. In the table below, mineral resources are reported above a 50 gpt silver equivalent cut-off, assuming a three year trailing average gold to silver ratio of 60:1.

Mineral Resource Estimate – In Situ Material

					Contained Metal (ounces) (x1000)		
	Tonnage	AgEq	Ag	Au	AgEq	Ag	Au
Classification	Tonnes(x1000)	gpt	gpt	gpt	t. oz.	t. oz.	t. oz.
Indicated	9,875	77.8	39.7	0.630	24,713	12,614	200
Inferred	7,042	71.0	36.1	0.589	16,075	8,173	133

**Notes:*
(1) *Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.*
(2) *All resources are stated above a 50 gpt Ag Equivalent cut-off.*
(3) *Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.*
(4) *Gold Equivalent stated using a ratio of 60:1 and ounces calculated using the following conversion rate: 1 troy ounce = 31.1035 grams. Metallurgical recoveries are not accounted for in the gold equivalent calculation.*

Mineral Reserve Estimate

A prefeasibility study conducted, demonstrates the reprocessing of tailings portion of the El Tigre Property is economically viable, therefore measured and indicated mineral resources within the tailings impoundment are considered proven and probable reserves. No reserves are estimated for the in-situ portion of the project at this time. The final reserves are reported using a 40 gpt Ag Equivalent cut-off which includes all the measured and indicated material inside the tailings impoundment. The portion of the tails that was classified as inferred resource was assumed to be set aside as waste in a stockpile.

The mineral reserve estimate for the El Tigre Property is based on mining the historic tailings and reprocessing the tailings by conventional mill and agitated cyanide leach methods. The mine plan is based on sequentially moving the tails from their current location to the plant site. The mine schedule is designed to progress from the upper levels of the current tailings impoundment to the bottom in 3 meter benches. Since the tailings impoundment is on the surface, there was no requirement to consider geotechnical, hydrological or other parameters in designing the mining production and surface operations.

Proven and probable reserves of 1,294,000 tons at a grade of 83.0 gpt Ag and 0.279 gpt Au are contained within the mineral resource estimate on the tailings impoundment for a total of 4,151,000 AgEq oz of contained metal in the final reserves. The table below shows the contained reserves by classification category. At the time of the El Tigre Technical Report there were no known mining, metallurgical, infrastructure and permitting factors that could material affect the mineral reserves.

El Tigre Property Mineral Reserves Estimate

					Contained Metal (x 000)(2)		
	Tonnes(2)	Ag Eq(4)	Ag	Au	Ag Eq(4)	Ag	Au
Classification	(x 000)	gpt	gpt	gpt	t. oz.	t. oz.	t. oz.
Proven(1),(3)	855	101.3	84.2	0.285	2,786	2,316	7.834
Probable(1),(3)	439	96.7	80.6	0.267	1,364	1,138	3.773
Proven + Probable	1,294	99.8	83.0	0.279	4,151	3,454	11.607

**Notes:*

(1) Proven and probable reserves are based on assumed silver and gold prices of US$25/oz. and US$1,289/oz. respectively, on metallurgical recoveries for gold and silver of 93% and 78%, and on mining, processing and G&A cost of US$29.30 per tonne processed.

(2) Mineral reserve tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.

(3) All reserves are stated above a 40 gpt Ag Equivalent cut-off

(4) Silver Equivalent stated using a ratio of 60:1 and ounces calculated using the following conversion rate: troy ounce = 31.1035 grams. Metallurgical recoveries are not accounted for in the silver equivalent calculation.

Mining Operations

The preproduction requirements for the tailings area are minimal given the presence of local roads leading to and from the tailings pile and the existence of mineable grade material at ground surface. HRC concluded that there is no additional work needed in the direct vicinity of the tailings to begin operations.

For the tailings portion of the El Tigre Property, the plan for mining involves moving materials that have been previously ground to sand consistency and subsequently placed on the ground surface. There is no overburden which would require stripping covering the tailings pile, and no drilling or blasting is planned for the mining.

The tailings pile is planned to be moved from its current site to the planned location of the processing plant. The method of material transport evaluated for this study is surface mining using a loader- backhoe and single 20 tonne dump truck. The dump truck would transport the material to be processed to the plant site and the loader-backhoe would transport waste to stockpile in the area of the current tailings. This scenario assumes that the operator owns, operates, and maintains all equipment.

Since the tailings pile is on the surface, there was no requirement to consider geotechnical, hydrological or other parameters in designing the mining production and surface operations. Equipment has been selected such that periodic scarifying could be undertaken if needed.

Ore production is planned at a nominal rate of 400 tonnes per day (“**tpd**”), equivalent to 136,000 tonnes per annum, to match the throughput of the plant. Mining and processing are planned to last approximately 10 years, and dilution was projected to be de-minimus. Mining is planned on a 7 day per week schedule, with one shift per day. Peak ore and waste production is estimated to be 667 tpd in the second to the last year. The average life of mine waste to ore ratio is 0.22:1.

The mine plan is based on sequentially moving the tails from their current location to the plant site, an average distance of approximately 0.75 kilometers. The portion of the tails that was classified as inferred resource was assumed to be set aside as waste in a stockpile. The mining is designed to progress from the upper levels of the current tailings pile to the bottom in 3 meter benches.

Processing and Recovery Operations

Silver grade distribution and the results of preliminary mineral processing tests indicate that ore from the tailings may be effectively processed by conventional mill and agitated cyanide leach methods. The design for the reprocessing of the tailings implements mining, processing and operations activities, completely contained on surface lands of 1.3 million tonnes grading 83.0 gpt silver and .279 gpt gold, transferring tailings from the current location without drilling or blasting. All ores from the historical tailings pile is planned to be processed using a 400-ton per day mill and agitated cyanide leach plant employing a standard Merrill-Crowe circuit. Metal recoveries are expected to average around 78% for Silver and about 93% for Gold.

Tailings transported from the mine are to be stored on a pad at the plant. From the storage pad, tailings would be rehandled periodically throughout the day by a 1 yard loader-backhoe, hopper, apron feeder, screens and a transfer conveyor feeding the fine ore bin. The screened product would pass from the fine ore bin to the mill. The milled product would be sent to agitated leach tanks where cyanide solution would leach the precious metals from the pulp. The pregnant solution would be decanted and the processed pulps would be sent to final storage in the new tailings facility.

The pregnant solution is planned to then be sent to the zinc oxide addition boxes at the beginning of the Merrill-Crowe circuit. The precipitate in these boxes would be loaded with the precious metals, would be sent to pressure filtration for the removal of fluid, would be passed to a drying oven, and then would be transferred to the furnace for melting into doré. The doré would then be sent for final refinement to an outside refiner.

Exploration, Development, and Production

Development and Production

At the time the El Tigre Technical Report was released the El Tigre Property was scheduled to be developed over an eleven month period, with site clearing and road construction occurring in the first two months, with foundation and civil work carried out in the next three months, and with plant and lab equipment placement and integration of all facilities completed in the final six months. The El Tigre Property was expected to generate cash flow in the first 12 months of commencement and ramp-up. Recoveries for silver are expected to range from 74.3% up to 79.5%, depending on the portion of the tailings pile providing the feed to the mill. A range of recoveries from 91.4% to 94.2% is expected for gold. Construction of the facilities is projected to begin at the start of first year, ramping-up to 200 tonnes per day during the first three months. It is expected to remain at that rate for the next six months needed to upgrade the mill to process 400 tonnes per day. Production of 400 tonnes per day is expected by the end of the first year, and would remain at that rate for the succeeding nine years.

The projected total lifespan to reprocess tailings at the El Tigre Property is 11 years: one year of construction and pre- production, and ten years of full operations. Approximately 3.45 million ounces of silver are projected to be mined and 2.63 million ounces of silver recovered and produced for sale. In addition, it is projected that around 10,500 ounces of gold will be produced and sold from the tailings. The table below shows the mine production schedule.

Table 16-2: Tailings Yearly Production Schedule

Production Schedule Based on 400 TPD of Tailings Mined										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Ore Tonnes	77,680	136,000	136,000	136,000	136,000	136,000	136,000	136,000	136,000	128,300
Waste Tonnes	0	0	1,365	13,435	0	32,069	52,799	79,687	90,723	17,845
Ag Ounces	255,302	378,424	362,585	359,755	356,111	347,602	340,671	347,235	369,204	337,491
Au Ounces	914	1,315	1,221	1,196	1,174	1,134	1,104	1,149	1,260	1,140

Contemplated Exploration

The mining cutoff grade in the old El Tigre mine was about 15 opt Ag. It is probable that substantial material grading in the range of 5 to 15 opt Ag remains in the mine as un-mined blocks and backfill. Exploring for this material will be difficult but could be done by an aggressive drilling effort and opening up the underground workings for sampling.

La Lajita Property

A summary of the La Lajita Property and the technical report entitled "Technical Report on the La Lajita Property, Durango, México", effective October 26, 2012 (the "**La Lajita Technical Report**") prepared by Peter Webster, P.Geo., of Mercator Geological Services can be found in the Annual Information Form, which is incorporated by reference in this Prospectus.

CONSOLIDATED CAPITALIZATION

There have been no material changes to the Company's share and loan capitalization on a consolidated basis since December 31, 2015.

As of June 13, 2016, the Company has 93,120,273 Common Shares issued and outstanding, 9,210,000 options to acquire Common Shares outstanding, 19,375,000 warrants to acquire Common Shares outstanding and 411,750 finders' warrants outstanding (see notes 7 and 8 under the heading "*Prior Sales*"). Upon completion of the Offering (without giving effect to the exercise of the Over-Allotment Option), there will be an aggregate of 114,859,403 Common Shares issued and outstanding, 30,244,565 Warrants (to acquire 30,244,565 Common Shares) outstanding and 1,304,348 Broker Warrants outstanding.

USE OF PROCEEDS

The net proceeds to be received by the Company from the Offering, after deducting the Underwriters' Fee and estimated expenses of the Offering of C$350,000, will be approximately C$4,350,000 (assuming no exercise of the Over-Allotment Option). If the Over-Allotment Option is exercised in full, the net proceeds to be received by the Company from the Offering, after deducting the Underwriters' Fee and estimated expenses of the Offering, will be approximately C$5,055,000.

The Company intends to use the net proceeds, subject to discretion to change the allocation after the date of this Prospectus, from the Offering (assuming no exercise of the Over-Allotment Option) to advance the Company's mineral interests in México, in particular for advancement and development of the El Tigre Property, and for working capital and general corporate purposes, as follows:

Available Funds	Amount
Cash on hand as at June 13, 2016	275,000
Net Proceeds from Offering	4,350,000
Total	4,625,000

Use of Proceeds:	Amount
Advancement and the development of the Company's El Tigre Property	3,690,000
Working capital and general corporate purposes - 12 months	660,000
Total	4,350,000

Although the Company intends to use the net proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary depending on future developments in the Company's mineral properties or unforeseen events, including payment of up to $200,000 on account of amounts owing under the La Lajita Property option agreement.

In the event that the Over-Allotment Option is exercised, any additional net proceeds will be allocated to general working capital.

Business Objectives and Milestones

The strategic plan of Oceanus is to finance the exploration activities at the El Tigre Property with a goal of developing a mineral resource. Although success is not guaranteed, management plans to advance this strategy in a professional, systematic manner.

PLAN OF DISTRIBUTION

Underwriting Agreement

Pursuant to the Underwriting Agreement, the Company has agreed to sell and the Underwriters have agreed severally, and not jointly nor jointly and severally, to purchase, as principals, on the Closing Date, an aggregate of 21,739,130 Units at the Offering Price for gross proceeds of C$5,000,000, payable in cash to the Company against delivery of the Units. The obligations of the Underwriters under the Underwriting Agreement are several and not joint, nor joint and several, and may be terminated at their discretion on the basis of "disaster out", "material change out" and "breach out" provisions in the Underwriting Agreement, and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Units if any of the securities are purchased under the Underwriting Agreement. The Offering Price was determined by negotiation among the Company and the Underwriters.

Each Unit will consist of one Unit Share and one-half of one Warrant. Each Warrant will entitle the holder thereof to acquire, subject to adjustment in accordance with the Warrant Indenture, one Warrant Share at an exercise price of C$0.39 per Warrant Share at any time prior to 5:00 p.m. (Toronto time) on the date that is twenty-four (24) months following the Closing Date. The Warrants will be created and issued pursuant to the terms of the Warrant Indenture to be dated as of the Closing Date between the Company and the Warrant Agent. The Warrant Indenture will contain provisions designed to protect holders of the Warrants against dilution upon the happening of certain events. No fractional Warrants will be issued.

Pursuant to the Underwriting Agreement, the Company has granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part, at any time and from time to time, in the sole discretion of the Underwriters, for a period of 30 days from the Closing Date, to purchase up to an additional amount of Units equal to 15% of the Units sold pursuant to the Offering, being 3,260,870 Additional Offered Units, at the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercisable by the Underwriters in respect of: (i) Additional Offered Units at the Offering Price; or (ii) Additional Shares at a price of C$0.215 per Additional Share; or (iii) Additional Warrants at a price of C$0.03 per Additional Warrant; or (iv) any combination of the Additional Securities, so long as the aggregate number of Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 3,260,870 Additional Shares and 1,630,870 Additional Warrants. The grant of the Over-Allotment Option and the Additional Securities issuable upon exercise of the Over-Allotment Option are hereby qualified for distribution under this Prospectus. A purchaser who acquires Additional Securities issuable on the exercise of the Over-Allotment Option acquires such Additional Securities 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, the total Price to the Public, Underwriters' Fee and Net Proceeds to the Company (before payment of the expenses of the Offering) will be approximately C$5,750,000, C$345,000 and C$5,405,000 respectively.

Subject to applicable law, the Underwriters may, with the consent of the Company, offer to sell the Units outside of Canada and the United States, in each case in accordance with applicable laws provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction. The TSXV has conditionally approved the listing of the Unit Shares, the Warrant Shares issuable on the due exercise of the Warrants, the Underwriters' Shares, and the Underwriters' Warrant Shares on the TSXV. Listing will be subject to the Company fulfilling all of the requirements of the TSXV on or before September 5, 2016.

Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters the Underwriters' Fee which is equal to 6% of the gross proceeds from the issue and sale of the Units and Additional Offered Units, if any, in consideration of the services rendered to the Company in connection with the Offering. The Company has also agreed to reimburse the Underwriters for their out-of-pocket fees and expenses, including the fees and expenses of their legal counsel whether or not the Offering is completed. All amounts payable to the Underwriters will be paid from the proceeds of the Offering. As additional compensation, the Company has also agreed to issue to the Underwriters the Broker Warrants on the Closing Date. The Broker Warrants will entitle the Underwriters to acquire that number of Underwriters' Units equal to 6% of the number of Units and Additional Offered Units, if any, sold under the Offering. The Broker Warrants will be exercisable at the Offering Price for a period of 24 months from the Closing Date. This Prospectus qualifies the grant and distribution of the Broker Warrants.

The Company has agreed not to, directly or indirectly, sell, or announce its intention to sell, nor authorize or issue, or announce its intention to authorize or issue, any Common Shares or securities or other financial instruments convertible or exchangeable for or exercisable into Common Shares, or publicly announce an intention to effect any such a transaction (except in conjunction with: (i) the issuance of Additional Offered Units pursuant to the Over-Allotment Option; (ii) pre-emptive rights or participation rights granted by the Company prior to the date hereof; (iii) the grant or exercise of stock options and other similar issuances pursuant to the stock option plan of the Company and other share compensation arrangements; and (iv) the exercise of outstanding warrants, convertible securities or other existing contractual rights) for a period starting on the Closing Date and ending on the date that is 90 days from the Closing Date without the prior written consent of the Underwriters, such consent not to be unreasonably withheld, conditioned or delayed.

Pursuant to rules and policy statements of certain Canadian securities regulatory authorities, the Underwriters may not, throughout the period of distribution under the Offering, bid for or purchase Common Shares for their own accounts or for accounts over which they exercise control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares. Such exceptions include a bid or purchase permitted under Universal Market Integrity Rules for Canadian Marketplaces of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to applicable laws and in connection with the Offering, the Underwriters may over-allot and effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market including: stabilizing transactions; short sales; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions. Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Common Shares while the Offering is in progress. These transactions may also include making short sales of Common Shares, which involve the sale by the Underwriters of a greater number of Common Shares than they are required to purchase in the Offering. Short sales may be "covered short sales", which are short positions in an amount not greater than the Over-Allotment Option, or may be "naked short sales", which are short positions in excess of that amount. Such transactions, if commenced, may be discontinued at any time.

The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Common Shares in the open market. In making this determination, the Underwriters will consider, among other things, the price of Common Shares available for purchase in the open market compared to the price at which they may purchase Additional Offered Units through the Over-Allotment Option. The Underwriters must close out any naked short position by purchasing Common Shares in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Common Shares in the open market that could adversely affect investors who purchase the Units.

The Company has agreed, pursuant to the Underwriting Agreement, to indemnify the Underwriters and their respective affiliates and each of their respective directors, officers, employees, affiliates, shareholders and agents and each Person, if any, who controls any Underwriter, and certain related parties, harmless from and against certain losses, claims, suits, liabilities, costs, damages, or expenses, including liabilities under Canadian securities legislation in certain circumstances or to contribute to payments the Underwriters may have to make because of such liabilities.

The Underwriters propose to offer the Units initially at the Offering Price. After the Underwriters have made commercially reasonable efforts to sell all of the Units at the Offering Price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, subject to the limitations on discount market price in accordance with the policies of the TSXV, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Units is less than the gross proceeds to be paid by the Underwriters to the Company. However, in no event will the Company receive less than net proceeds of C$0.2162 per Unit (after deducting the Underwriters' Fees but before deducting the expenses of the Offering).

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Other than pursuant to certain exceptions, the Units will be available for delivery in book-based form through CDS or its nominee and will be deposited with CDS on the Closing Date. A purchaser of Units will receive only a customer confirmation from the Underwriters or other registered dealer who is a CDS Participant through which the Units are purchased. Notwithstanding the foregoing, a purchaser of Units that is in the United States or a U.S. Person that is an "accredited investor" (as such term is defined in Rule 501(a) of Regulation D under the U.S. Securities Act) purchasing pursuant to the exemption from registration provided by Rule 506(b) of Regulation D under the U.S. Securities Act, will receive individual physical certificates representing the Unit Shares and Warrants comprising the Units registered in such purchaser's name and bearing a U.S. legend. Purchasers who are not issued a certificate evidencing the Common Shares which are subscribed for by them at closing may request that a certificate be issued in their name. Such a request will need to be made through the CDS Participant through whom the beneficial interest in the securities is held at the time of the request.

United States Securities Law Compliance

The Units, the Unit Shares and the Warrants comprising the Units, and the Warrant Shares issuable upon exercise of the Warrants, have not been and will not be registered under the U.S. Securities Act or any state securities laws, and the Units, the Unit Shares and the Warrants may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, persons in the United States or U.S. Persons, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriters have agreed that, except as permitted by the Underwriting Agreement and as expressly permitted by applicable United States federal and state securities laws, they will not offer or sell any of the Units, the Unit Shares or the Warrants to, or for the account or benefit of, persons in the United States or U.S. Persons. The Underwriting Agreement permits the Underwriters to offer the Units, the Unit Shares and the Warrants outside the United States to non-U.S. Persons in compliance with Regulation S under the U.S. Securities Act. The Underwriting Agreement also permits the Underwriters, through U.S. registered broker-dealers, to offer and resell the Units, the Unit Shares and the Warrants to, or for the account or benefit of, persons in the United States and U.S. Persons where such persons are "qualified institutional buyers", as such term is defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**"), in compliance with Rule 144A and applicable state securities laws. The Underwriting Agreement also permits the Underwriters, through U.S. registered broker-dealers, to offer the Units, the Unit Shares and the Warrants to, or for the account or benefit of, persons in the United States and U.S. Persons to whom the Company will sell such securities directly where such persons are "accredited investors", as such term is defined in Rule 501(a) of Regulation D under the U.S. Securities Act ("**Accredited Investors**"), in compliance with Rule 506(b) of Regulation D under the U.S. Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Units, the Unit Shares or the Warrants to, or for the account or benefit of, persons in the United States or U.S. Persons. In addition, until 40 days after the commencement of the Offering, an offer or sale of such securities within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act, unless such offer or sale is made pursuant to an exemption from registration under the U.S. Securities Act.

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

The Unit Shares, the Warrants and the Warrant Shares issuable upon exercise of the Warrants issued to, or for the account or benefit of, persons in the United States or U.S. Persons will be "restricted securities" within the meaning of Rule 144(a)(3) of the U.S. Securities Act. Certificates representing any securities that are offered, sold or issued to, or for the account or benefit of, persons in the United States or U.S. Persons that are Accredited Investors purchasing pursuant to the exemption from registration provided by Rule 506(b) of Regulation D under the U.S. Securities Act will bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or any applicable state securities laws and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws.

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

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Units

Each Unit is comprised of one Unit Share (being a Common Share forming a part of each Unit) and one-half of one Warrant, subject to adjustment in certain circumstances in accordance with the Warrant Indenture. The Units will separate into Unit Shares and Warrants immediately upon issue.

Common Shares

The Company is authorized to issue an unlimited number of Common Shares, which 93,120,273 Common Shares are issued and outstanding as fully paid and non-assessable as at June 13, 2016. Each Common Share entitles the holder thereof to: (i) one vote per Common Share at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote; (ii) receive dividends, if, as and when declared by the board of directors of the Company; and (iii) subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, receive the remaining property of Oceanus upon dissolution, liquidation or winding-up of Oceanus as is distributable to the holders of the Common Shares.

Dividends

Oceanus intends to retain its earnings, if any, to finance the growth and development of business. No dividends have been paid by the Company, nor will dividends be paid by the Company in the foreseeable future. Any return on an investment in the Company's securities will come from the appreciation, if any, in the value of the Common Shares. The payment of future dividends, if any, will be reviewed periodically by the board of directors of the Company and will depend upon, among other things, conditions then existing, including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

Warrants

The Warrants will be governed by the terms of the Warrant Indenture. The Company will appoint the principal transfer offices of the Warrant Agent in Montréal, Québec as the location at which Warrants may be surrendered for exercise or transfer. The following summary of certain provisions of the Warrant Indenture contains all of the material attributes and characteristics of the Warrants but does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture.

The Unit Shares and the Warrants comprising the Units will separate immediately upon closing of the Offering. Each Warrant will entitle the holder to purchase one Warrant Share at a price of C$0.39. The exercise price and the number of Warrant Shares issuable upon exercise are both subject to adjustment in certain circumstances as more fully described below. Warrants will be exercisable at any time prior to 5:00 p.m. (Toronto time) on the date that is twenty-four (24) months after the Closing Date, after which time the Warrants will expire and become null and void. There is currently no market through which the Warrants can be sold and purchasers may not be able to resell such securities. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of such securities, and the extent of issuer regulation. The Company has no current intention of listing the Warrants on the TSXV or any other exchange. Under the

Warrant Indenture and subject to applicable laws, the Company will be entitled to purchase in the market, by private contract or otherwise, all or any of the Warrants then outstanding, and any Warrants so purchased will be cancelled.

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

(i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or other distribution (other than a "dividend paid in the ordinary course", as defined in the Warrant Indenture, or a distribution of Common Shares upon the exercise of the Warrants or pursuant to the exercise of director, officer or employee stock options or restricted share rights granted under the Company's equity compensation plans);

(ii) the subdivision, redivision or change of the Common Shares into a greater number of shares;

(iii) the reduction, combination or consolidation of the Common Shares into a lesser number of shares;

(iv) the issuance to all or substantially all of the holders of the Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, for the Common Shares on such record date; and

(v) the issuance or distribution to all or substantially all of the holders of the Common Shares of shares of any class other than the Common Shares, rights, options or warrants to acquire Common Shares or securities exchangeable or convertible into Common Shares, of evidences of indebtedness or cash, securities or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events: (1) reclassifications of the Common Shares; (2) consolidations, amalgamations, plans of arrangement or mergers of the Company with or into another entity (other than consolidations, amalgamations, plans of arrangement or mergers which do not result in any reclassification of the Common Shares or a change or exchange of the Common Shares into other shares); or (3) the transfer (other than to one of the Company's subsidiaries) of the undertaking or assets of the Company as an entirety or substantially as an entirety to another corporation or other entity.

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

The Company will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to holders of 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 or effective date, as the case may be, of such event.

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

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by “extraordinary resolution”, which is defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 10% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution or (2) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants.

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

PRIOR SALES

For the 12-month period before the date of this Prospectus, the Company issued the following Common Shares and securities convertible into Common Shares:

Date of Issue/Grant	Price per Security	Number of Securities
Common Shares		
June 19, 2015 (1)	0.20	6,250,000
October 23, 2015(2)	0.23	312,500
October 23, 2015(3)	0.15	500,000
November 13, 2015(4)	0.336	17,856,140
December 23, 2015(5)	0.16	16,250,000
Options		
December 23, 2015(6)	0.17	4,015,000
Warrants		
June 19, 2015 (7)	0.30	3,155,000
December 23, 2015 (8)	0.24	16,631,750

(1) On June 19, 2015, Oceanus issued 6,250,000 Common Shares for $0.20 per Common Share in connection with a private placement. Directors and officers of the Company purchased 287,500 of the units issued pursuant to this financing for gross proceeds of $57,500.

(2) On October 23, 2015, Oceanus issued 312,500 Common Shares for $0.23 per Common Share for services rendered.

(3) On October 23, 2015, Oceanus issued 500,000 Common Shares for $0.15 per Common Share for services rendered.

(4) On November 13, 2015, Oceanus issued 17,856,140 Common Shares at a value of $0.336 per Common Share in connection with a plan of arrangement involving El Tigre.

(5) On December 23, 2015, Oceanus issued 16,250,000 Common Shares for $0.16 per Common Share in connection with a private placement. Directors, officers and close family members of certain of the directors and officers of the Company purchased 2,500,000 of the units issued pursuant to this financing for gross proceeds of $400,000.

(6) On December 23, 2015, Oceanus issued 4,015,000 options pursuant to its stock option plan. Each option entitles the holder to acquire one Common Share at a price of $0.17.

(7) On June 19, 2015, Oceanus issued 3,125,000 warrants and 30,000 finders warrants in connection with a private placement. Each warrant entitles the holder to acquire one Common Share at a price of $0.30.

(8) On December 23, 2015, Oceanus issued 16,250,000 warrants and 381,750 finders warrants in connection with a private placement. Each warrant entitles the holder to acquire one Common Share at a price of $0.24.

TRADING PRICE AND VOLUME

The Common Shares are listed on the TSXV under the trading symbol "OCN". The following table sets forth information relating to the trading of the Common Shares on the TSXV for the periods indicated.

Calendar Period(1)	High-Price(2) (C$)	Low-Price(2) (C$)	Volume
2015			
June	0.21	0.21	140,900
July	0.20	0.20	45,945
August	0.20	0.20	1,387,882
September	0.35	0.33	298,100
October	0.25	0.17	90,571
November	0.23	0.23	152,300
December	0.20	0.18	419,073
2016			
January	0.20	0.20	99,230
February	0.18	0.18	1,185,457
March	0.33	0.30	402,128
April	0.27	0.25	297,621
May	0.28	0.28	335,763
June 1 - 13	0.29	0.20	2,098,017

(1) Source for data in the above table is Capital IQ. Past performance should not be seen as an indicator of future performance.
(2) High-Price and Low-Price based on intraday high and low share prices.

On June 13, 2016 the closing price of the Common Shares on the TSXV was C$0.23. **Securityholders are urged to obtain current market quotations for the Common Shares.**

RISK FACTORS

Prior to making an investment decision investors should consider the investment risks set out below including those set out in the Annual Information Form incorporated herein by reference, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out below to be the most significant to potential investors in the Company, but do not represent all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the board of directors of the Company are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected.

The following are certain factors relating to the business of the Company. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected. The following is a description of certain risks and uncertainties that may affect the business of the Company.

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

Going Concern

The Company's ability to continue as a going concern is dependent on its ability to successfully explore for minerals on and develop a mineral resource property. The Company shall actively seek financing from time to time to finance its operations; however, the availability, amount and timing of this financing is not certain at this time.

Purchasers are referred to the Financial Statements (specifically Note 1 under the heading "*Nature of operations and going concern - Going Concern*") which are incorporated by reference in this Prospectus and are available on SEDAR at www.sedar.com.

Mineral Exploration, Development and Operating Risks

The business of mineral exploration and development is highly speculative in nature, generally involves a high degree of risk and is frequently non-productive. The Company's properties are in the exploration and development stage, and there is no assurance that exploration efforts will be successful or that expenditures to be made by the Company will result in discoveries of commercial quantities of minerals or profitable commercial mining operations. Resource acquisition, exploration, development, and operation involves significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Significant expenses are required to locate and establish economically viable mineral deposits, to acquire equipment, and to fund construction, exploration and related operations, and few mining properties that are explored are ultimately developed into producing mines. Success in establishing an economically viable project is the result of a number of factors, including the quantity and quality of minerals discovered, proximity to infrastructure, metal and mineral prices, which are highly cyclical, costs and efficiencies of the recovery methods that can be employed, the quality of management, available technical expertise, taxes, royalties, environmental matters, government regulation (including land tenure, land use and import/export regulations) and other factors. Even in the event that mineralization is discovered on a given property, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change as a result of such factors. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on its invested capital, and no assurance can be given that any exploration program of the Company will result in the establishment or expansion of resources or reserves. The Company's operations are subject to all the hazards and risks normally encountered in the exploration and development of mineral resource properties, including hazards relating to the discharge of pollutants or hazardous chemicals, unusual or unexpected adverse geological or geotechnical formations, unusual or unexpected adverse operating conditions, seismic activity, fire, explosions and natural phenomena and 'acts of God' such as inclement weather conditions, floods, earthquakes or other conditions, any of which could result in damage to, or destruction of, mineral properties, personal injury or death, damage to property, environmental damage, unexpected delays, monetary payments and possible legal liability, which could have a material adverse impact upon the Company. In addition, any future mining operations will be subject to the risks inherent in mining, including adverse fluctuations in fuel prices, commodity prices, exchange rates and metal prices, increases in the costs of constructing and operating mining and processing facilities, availability of energy and water supplies, access and transportation costs, delays and repair costs resulting from equipment failure, changes in the regulatory environment, and industrial accidents and labour actions or unrest. The occurrence of any of these risks could materially and adversely affect the development of a project or the operations of a facility, which could have a material adverse impact upon the Company.

The Company assesses whether there is any indication of impairment on its mineral properties each reporting period, which could result in an impairment of its mineral properties.

The Company assesses at the end of each reporting period whether there are any indicators, from external and internal sources of information, that an asset may be impaired requiring an adjustment to the carrying value in order not to exceed its recoverable amount. External sources of information considered could include changes in market conditions, the economic and legal environment in which the Company operates that are not within its control and the impact these changes may have on the recoverable amount. Internal sources of information include the manner in which the mineral properties are being used or are expected to be used and indications of the economic performance of the assets. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs and reductions in the amount of recoverable reserves and resources are each examples of factors and estimates that could each result in a write-down of the carrying amount of the Company's mineral properties. Although management makes its best estimates, it is possible that material changes could occur which may adversely affect management's estimate of the net cash flows expected to be generated in the future from its properties. Any impairment estimates, which are based on applicable key assumptions and sensitivity analysis, are based on management's best knowledge of the amounts, events or actions at such time, and the actual future outcomes may differ from any estimates that are provided by the Company. Any impairment charges on the Company's mineral projects could adversely affect our results of operations and the price of the Common Shares.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give any assurance that title to its exploration properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that Oceanus does not have title to its exploration properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

Limited Operating History

The Company has no history of an operating business or mining operations, revenue generation or production history. The Company was incorporated on June 14, 2010 and has yet to generate a profit from its activities. The Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it will take several years to achieve any cash flow from operations.

Capital Requirements, Liquidity and Risks to Shareholders

Additional funds for the establishment of the Company's current and planned exploration and development operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures, operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Trading Price and Volatility of the Common Shares

The market price of the Common Shares experiences fluctuations which may not necessarily be related to the financial condition, operating performance, underlying asset values or prospects of the Company. It may be anticipated that any market for the Common Shares will be subject to market trends generally, and the value of the Common Shares on the TSXV or such other stock exchange as the Common Shares may be listed from time to time, may be negatively affected by such volatility.

Global Financial Volatility

Global financial conditions are volatile from time to time. Global economic volatility may impact domestic markets and the ability of the Company to obtain equity or debt financing to continue its operations and, if obtained, on terms favourable to the Company. Market volatility and turmoil could adversely impact the Company's operations and the value and the trading price of the Common Shares.

Commodity Prices

Factors beyond the control of the Company may affect the marketability and price of minerals discovered, if any. Commodity and metal prices have fluctuated widely in recent years and months and are affected by numerous factors beyond the control of the Company, including international, economic and political trends, market intervention by state actors, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors cannot be accurately predicted. Periods of depressed metal prices may negatively affect the ability of the Company to obtain required financing, and have a material adverse effect on the Company.

Foreign Operations

The Company's principal assets are located in México and the Company's operations are therefore subject to Mexican federal and state laws and regulations. The risks normally associated with the conduct of business in foreign countries include various levels of political, regulatory, economic, social and other risks and uncertainties. Such risks may include, but are not limited to: local economic instability, high rates of inflation, emerging resource nationalism, restrictions on foreign ownership and activities, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits and contracts, limitations on repatriation of earnings or other currency controls, limitations on commodity exports, labour unrest, invalidation of governmental orders and permits, corruption, sovereign risk, war (including neighbouring states), military repression, civil disturbances, terrorist activity, hostage taking, unanticipated changes in laws or policies, the failure of foreign parties to honour contractual relations, foreign taxation, delays or inability to obtain necessary governmental permits, and opposition to mining from environmental or other non-governmental organizations.

The Company believes the attitude of the current Mexican government toward mineral resource development activities and foreign investment to be favourable, however, any deterioration in economic conditions or other factors could result in a change in government policies at either the national or state level. In addition, no assurance can be given that new rules and regulations will not be enacted or that existing laws, rules and regulations will not be applied in a manner which could limit or curtail the Company's activities.

México's legal and regulatory requirements in connection with companies conducting mineral exploration and mining activities, banking system and controls as well as local business culture and practices are, in particular, different from those in Canada. While the Company believes its exploration and development activities are currently carried out in material compliance with all applicable rules and regulations, the officers and directors of the Company must rely, to a great extent, on the Company's Mexican legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's operations. The Company also relies, to some extent, on those members of management and directors of the Company who have previous experience working and conducting business in México in order to enhance its understanding of and appreciation for the local business culture and practices in México. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in México are beyond the control of the Company and may adversely affect its business.

Limited Market for Securities

The Common Shares are currently listed on the TSXV, however there can be no assurance that an active and liquid market for the Common Shares will be maintained and an investor may find it difficult to resell securities of the Company.

Conflicts of Interest

Certain directors and officers of the Company are or may become associated with other mineral resource exploration companies which may give rise to conflicts of interest. In accordance with applicable Canadian corporate law, directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. Certain of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and, accordingly, the Company will not be the only business enterprise of these directors and officers.

Competition

The Company will compete with many exploration companies that may have substantially greater financial and technical resources than the Company, as well as, for the recruitment and retention of qualified personnel.

Reliance on Key Individuals

The Company's success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in its growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Company.

Infrastructure

Mineral resource development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important requirements, which affect capital and operating costs. Unusual or infrequent weather, phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could have a material adverse impact on the Company and its operations.

Litigation

Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. At any time, the Company is subject to the threat of litigation and may be involved in disputes with other parties in the future which may result in litigation or other proceedings. The results of litigation or any other proceedings cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it could have a material adverse effect on the Company and its financial position, operations or development.

Safety and Security

The Company's property interests are located in Sonora Province and the central portion of the Sierra Madre Occidental province, México. Criminal activities in these regions, or the perception that activities are likely, may disrupt the Company's operations, hamper the Company's ability to hire and keep qualified personnel and impair the Company's access to sources of capital. Risks associated with conducting business in the region include risks related to personnel safety and asset security. Risks may include, but are not limited to: kidnappings of employees and contractors, exposure of employees and contractors to local crime related activity and disturbances, exposure of employees and contractors to drug trade activity, and damage or theft of the Company's or personal assets. These risks may result in serious adverse consequences including personal injuries or death, property damage or theft, limiting or disrupting operations, restricting the movement of funds, impairing contractual rights and causing the Company to shut down operations, all of which may expose the Company to costs as well as potential liability. Such events could have a material adverse impact on the Company and make it more difficult for the Company to obtain required financing. Although the Company actively attempts to mitigate such risks, there is no assurance that the Company's efforts will be effective in safeguarding personnel and the Company's property effectively.

In México, acts of civil disobedience are common. In recent years, many mining companies have been the targets of actions to restrict access to legally entitled mining concession or property. Such acts of civil disobedience often occur with no warning and can result in significant direct and indirect costs.

Metal prices may fluctuate

The Company's future revenue, if any, is primarily dependent on the sale of gold and silver and movements in the spot price of gold and silver have a direct and immediate impact the price of the Common Shares. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Company's control including international economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional supply and demand, consumption patterns, speculative market activities, worldwide production and inventory levels and sales programs by central banks. Movements in the price of metal, such as movements in the spot price of gold and silver, have a direct and immediate impact on the price of the Common Shares and may affect the marketability of minerals already discovered and any future minerals to be discovered. Mineral reserves on the Company's properties have been calculated on the basis of gold and other commodity prices and economic factors at the time of calculation; variations in such factors may have an impact on the amount of the Company's mineral reserves and future price declines could cause any future development of and commercial production from the Company's properties to be impracticable.

Lack of infrastructure could forestall or prevent further exploration and development.

Exploration activities, as well as any development activities, depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important factors that affect capital and operating costs and the feasibility and economic viability of a project, or unanticipated or higher than expected costs and unusual or infrequent weather phenomena or government, or other interference in the maintenance or provision of such infrastructure could adversely affect our operations, financial condition and results of operations.

Our exploration activities are in countries with developing economies and are subject to the risks of political and economic instability associated with these countries.

The Company currently conduct exploration activities almost exclusively in México, which has experienced economic or political instability. The Company may be materially adversely affected by risks associated with conducting exploration activities in countries with developing economies, including:

- political instability and violence;
- war and civil disturbance;
- acts of terrorism or other criminal activity;
- expropriation or nationalization;
- changing fiscal, royalty and tax regimes;
- fluctuations in currency exchange rates;
- high rates of inflation;
- uncertain or changing legal requirements respecting the ownership and maintenance of mineral properties, mines and mining operations, and inconsistent or arbitrary application of such legal requirements;
- underdeveloped industrial and economic infrastructure;
- corruption; and
- unenforceability of contractual rights.

Changes in mining or investment policies or shifts in the prevailing political climate in México could adversely affect the Company’s business.

Title to our mineral properties may be challenged.

Our policy is to seek to confirm the validity of our rights to, title to, or contract rights with respect to, each mineral property in which we have a material interest. However, we cannot guarantee that title to our properties will not be challenged. Title insurance generally is not available for mineral properties, and our ability to ensure that we have obtained secure rights to individual mineral properties or mining concessions may be severely constrained. We have not conducted surveys of all of the exploration properties in which we hold direct or indirect interests and, therefore, the precise area and location of these exploration properties may be in doubt. Accordingly, our mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, we may be unable to operate our properties as permitted or to enforce our rights with respect to our properties, and the title to our mineral properties may also be impacted by state action.

Uncertainty in the calculation of mineral reserves, resources and metal recovery

There is a degree of uncertainty attributable to the calculation of mineral reserves and mineral resources. Until mineral reserves or mineral resources are actually mined and processed, the quantity of minerals and grades must be considered estimates only. In addition, as the Company’s mineral reserves and mineral resources are calculated on the basis of economic factors (including metal prices) then in effect the quantity of mineral reserves and mineral resources may vary as a result of changes in such economic factors including metal prices. Any material change in the quantity of mineral reserves, mineral resources, grade or minimum mining widths may affect the economic viability of the Company’s mineral properties. In addition, there can be no assurance that gold recoveries, silver recoveries or other metal recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production, or that the existing known and experienced recoveries will continue.

Feasibility and other studies - estimates only and subject to uncertainty

Feasibility studies are used to determine the economic viability of an ore deposit, as are preliminary feasibility studies (such as the El Tigre Technical Report) and preliminary economic assessments. Feasibility studies are the most detailed studies and reflect a higher level of confidence in the estimated production rates, and capital and operating costs. Generally accepted levels of confidence are plus or minus 15% for feasibility studies, plus or minus 25-30% for pre-feasibility studies and plus or minus 35-40% for preliminary economic assessments. These levels reflect the levels of confidence that exist at the time the study is completed. Subsequent changes to metal prices, foreign exchange rates (if applicable), reclamation requirements, operating and capital costs may differ materially from these estimates.

Future exploration and development activities

Exploration and development of mineral properties involves significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish mineral reserves by drilling, constructing mining and processing facilities at a site, developing metallurgical processes and extracting precious metals from ore. The Company cannot ensure that its current exploration and development programs will result in profitable commercial mining operations. Also, substantial expenses may be incurred on exploration projects which are subsequently abandoned due to poor exploration results or the inability to define mineral reserves which can be mined economically. The economic feasibility of development projects is based upon many factors, including the accuracy of mineral reserve estimates, metal recoveries, capital and operating costs, government regulations relating to prices, taxes, royalties, land tenure, land use, importing, exporting, environmental protection, and precious metal prices, which are highly volatile. Development projects are also subject to the successful completion of economic evaluations or feasibility studies, issuance of necessary governmental permits and availability of adequate financing. Further, material changes in mineral reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Development projects have no operating history upon which to base estimates of future cash flow. Estimates of proven and probable reserves, measured and indicated resources, and inferred resources are, to a large extent, based upon detailed geological and engineering analysis. Further, mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty of inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven or probable mineral reserves as a result of continued exploration.

Discretion in the use of the net proceeds from the Offering

The Company currently intends to allocate the net proceeds it will receive from the Offering as described under the section entitled "*Use of Proceeds*" in this short form prospectus. However, management will have discretion in the actual application of the net proceeds, and the Company may elect to allocate proceeds differently from that described in "*Use of Proceeds*" if the Company believes it would be in its best interests to do so. The failure by management to apply these funds effectively could have a material adverse effect on the Company's business.

No market for the Warrants currently exists

The Company has not made an application to list the Warrants or the Underwriters' Warrants for trading on any exchange. As such, there is currently no market through which the Warrants or the Underwriters' Warrants can be sold and purchasers may not be able to resell such securities purchased under this Prospectus. This may affect the pricing of the Warrants and the Underwriters' Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of such securities and the extent of issuer regulation.

If any of the foregoing events, or other risk factor events not described herein occur, our business, financial condition or results of operations could suffer. In that event, the market price of our securities could decline and investors could lose all or part of their investment.

INTEREST OF EXPERTS

The following are the persons or companies who were named as having prepared or certified a statement, report or valuation in this Prospectus either directly or in a document incorporated by reference and whose profession or business gives authority to the statement, report or valuation made by the person or company:

- Peter Webster, P. Geo., of Mercator Geological Services who authored the La Lajita Technical Report;

- David Duncan, P.Geo., of D.R. Duncan & Associates Ltd. who is responsible for and who reviewed the scientific and technical information in the Annual Information Form and in the Company's public filings during the year ended March 31, 2015;

- Zachary J. Black, SME-RM, of Hard Rock Consulting, LLC, who co-authored the El Tigre Technical Report; and

- Jeffrey W. Choquette, P.E., of Hard Rock Consulting, LLC, who co-authored the El Tigre Technical Report.

David Duncan is a director of the Company. Mr. Duncan's registered and beneficial interest in the securities or other property of the Company or one or more of its associates or affiliates is disclosed in the documents incorporated by reference herein.

As at the date hereof, to the knowledge of the Company, the above experts, excluding Mr. Duncan, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares of the Company.

The aforementioned experts, excluding Mr. Duncan who received compensation as a director of the Company, have not received any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation of the La Lajita Technical Report or the El Tigre Technical Report or any of the other documents noted above. The aforementioned persons, excluding Mr. Duncan, are not currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are PricewaterhouseCoopers LLP, Chartered Accountants, Halifax, Nova Scotia, in connection with the audit of Oceanus' financial statements, Pricewaterhouse Coopers LLP has reported to Oceanus' audit committee that they are independent of Oceanus within the Rules of Professional Conduct of the Institute of Chartered Accountants of Nova Scotia.

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Halifax, Nova Scotia and as co-transfer agent in Toronto, Ontario.

LEGAL MATTERS

Certain legal matters in connection with this Offering will be passed upon by Fasken Martineau DuMoulin LLP, on behalf of the Company, and by Stikeman Elliott LLP, on behalf of the Underwriters. As at the date hereof, except as set out below, the partners and associates of Stikeman Elliott LLP, as a group, and the partners and associates of Fasken Martineau DuMoulin LLP, as a group, each beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Company. As at the date hereof, certain of the partners and associates of Fasken Martineau DuMoulin LLP hold 2.3% of the outstanding warrants to acquire Common Shares of the Company.

PURCHASERS' STATUTORY RIGHTS

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 Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the price at which the Warrant is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated: June 14, 2016

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

(Signed) "Glenn Jessome"
President and Chief Executive Officer

(Signed) "Glenn Holmes"
Chief Financial Officer

On Behalf of the Board of Directors

(Signed) "Richard Gordon"
Director

(Signed) "Kevin Lindsey"
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: June 14, 2016

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

CANTOR FITZGERALD CANADA CORPORATION	PI FINANCIAL CORP.
By: *(Signed) "Laurence Rose"*	By: *(Signed) "Rick Vernon"*