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*These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States except in compliance with, or pursuant to an available exemption from, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This offering document does not constitute an offer to sell, or the solicitation of an offer to buy, any of these securities within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States. "United States" and "U.S. person" have the meanings ascribed to them in Regulation S under the U.S. Securities Act.*

## **PART 1 - SUMMARY OF OFFERING**

### **AMENDED AND RESTATED OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION**

Dated: January 11, 2024



**BARKSDALE RESOURCES CORP.**  
(the "Issuer" or "Barksdale")

67 East 5<sup>th</sup> Avenue, Vancouver, B.C. V5T 1G7  
Telephone: (604) 398-5385 | Facsimile: (604) 687-3567

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**Subscription Price: \$0.40 per Unit**

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#### **What are we offering?**

**Offering:** Units ("Units") of the Issuer, with each Unit being comprised of one common share of the Issuer (a "Share") and one-half (1/2) of one non-transferable common share purchase warrant. Each whole warrant (each, a "Warrant") will be exercisable to acquire one additional Share (each a "Warrant Share", and together with the Units, Shares and Warrants, the "Securities") at an exercise price of \$0.60 for a period of 36 months from the date of closing of the Offering. The Offered Units will not trade and will separate into Unit Shares and Warrants after issuance. The Offering shall take place on (i) a brokered basis through Cormark Securities Inc. ("Cormark" or the "Agent") subject to the terms and conditions set out in the Agency Agreement (as defined below) (the "Brokered Offering") and (ii) a non-brokered basis with or without the participation of eligible finders (the "Non-Brokered Offering") and complete in one or more tranches (collectively, the "Offering").

**Offering Price:** \$0.40 per Unit.

- Offering Amount:** A minimum number of units of **5,000,000** Units, for minimum gross proceeds of **\$2,000,000**.
- The Agent:** The Issuer has entered into an engagement letter with the Agent for the sale of the Units on a “best-efforts” basis under the Brokered Offering, with standard representations, warranties, covenants, conditions, and termination provisions to be included in a definitive agency agreement between the Issuer and the Agent (the “**Agency Agreement**”).
- Closing Date:** The closing of the Brokered Offering and a first tranche of the Non-Brokered Financing occurred January 9, 2024.. A second tranche of the Non-Brokered Financing will close no later than the 45<sup>th</sup> day following the date that the latest offering release in respect of the Offering is disseminated.
- Exchange:** The common shares of the Issuer are listed on the TSX Venture Exchange (the “**TSXV**”) under the symbol “**BRO**” and on the OTCQX under the symbol “**BRKCF**”
- Last Closing Price:** The closing price of the Shares on the TSXV on January 10, 2024 was \$0.385.

#### GENERAL INFORMATION

**Barksdale is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 – *Prospectus Exemptions*. In connection with this Offering, the Issuer represents the following is true:**

- **The Issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Issuer has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering Document, will not exceed \$5,000,000.**
- **The Issuer will not close this Offering unless the Issuer reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Issuer will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Issuer seeks security holder approval.**

#### Cautionary Note Regarding Forward-Looking Statements

This Offering Document contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “will”, “proposes”, “expects”, “estimates”, “intends”, “anticipates” or “believes”, or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved or the negative connotation thereof.

Forward-looking information is based on the Issuer’s current expectations, beliefs, assumptions, estimates and forecasts about the Issuer’s business and the industry and markets in which it operates. Such forward information is based on numerous assumptions, including among others; the amount of net proceeds raised under the Offering; completion of the Offering; regulatory approval for the Offering; the Issuer will be able to amend or replace the Issuer’s convertible debentures on the terms previously announced by the Issuer; changes in commodity prices; that general business and economic conditions will not change in a material adverse manner; and that third party contractors, equipment and supplies and governmental and other approvals required to conduct the Issuer’s planned activities will be available on reasonable terms and in a timely manner. Although the assumptions made by the Issuer

in providing forward looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

All statements, other than statements of historical fact, that address activities, events or developments that the Issuer believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding any objectives and strategies of the Issuer) are forward-looking statements. Examples of such forward-looking statements in this Offering Document include the Issuer's business plans focused on the exploration and development of the Issuer's mineral properties; the proposed work program on the Issuer's mineral properties; costs and timing of future exploration and development activities; timing and receipt of approvals, consents and permits under applicable legislation; use of, and the amount of, available funds, including the proceeds of the Offering and the costs of the Offering; business objectives and milestones; adequacy of financial resources; and the amendment or replacement of the Issuer's convertible debentures, including the timing and receipt of necessary approvals. These forward-looking statements reflect the current expectations, assumptions or beliefs of the Issuer based on information currently available to the Issuer.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect.

The material factors and assumptions used to develop the forward-looking statements contained in this Offering Document include, without limitation, the availability and final receipt of required approvals, licenses and permits, sufficient working capital, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to equity and debt markets and associated costs of funds, availability of a qualified work force, that the Issuer is able to procure equipment and supplies in sufficient quantities and on a timely basis, that engineering and exploration timetables and capital costs for the Issuer's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions, that any environmental and other proceedings or disputes are satisfactorily resolved, and that the Issuer maintains its ongoing relations with its business partners and governmental authorities.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance or developments could differ materially from those anticipated in such statements. Although the Issuer believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. The factors identified above are not intended to represent a complete list of the factors that could affect the Issuer. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Issuer's actual results, performance or developments to be materially different from any future results, performance or developments expressed or implied by the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Issuer. Prospective investors should carefully consider all information contained in this Offering Document including information contained in the section entitled "Cautionary Note Regarding Forward-Looking Statements", before deciding to purchase the Units.

Additionally, purchasers should consider the risk factors set forth below, as well as risks described in the Issuer's filings that are available on the Issuer's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). Risks which may impact the forward-looking information contained in this Offering Document include but are not limited to, risks relating to the Offering being on a best efforts basis and there being no certainty regarding the amount of net proceeds to the Issuer; risks related to the ability of the Issuer to amend or replace the Issuer's convertible debentures on the terms previously disclosed by the Issuer, including without limitation, the possibility that such convertible debenture amendment, the issuance of detachable bonus share purchase warrants and the settlement of accrued interest with units of the Issuer may not be approved by the TSXV within the timeline specified by the creditor and if the Issuer is not able to secure a further waiver of default that the indebtedness under such convertible debenture may become due and payable; fluctuations in mineral and currency exchange rates; and commodity prices including future demand for and prices realized from the sale of minerals; government actions that could restrict or eliminate the ability to mine on public lands, such as through the creation or expansion of national monuments or through mineral withdrawals; actual results of exploration activities being different than anticipated; competition from others; risks and hazards associated with

the business of mineral exploration and development (including environmental hazards, potential unintended releases of contaminants, accidents, unusual or unexpected geological or structural formations); the speculative nature of mineral exploration and development; the Issuer's ability to obtain additional funding; the absence of known resources; environmental risks and remediation measures including seasonality and unanticipated weather changes, including evolving environmental regulations and legislation; changes in laws and regulations impacting exploration and mining activities; legal and litigation risks; statutory and regulatory compliance including the policies and actions of foreign governments, which could impact the competitive supply of and global markets for minerals; insurance and uninsurable risks; the Issuer's history of losses and negative cashflow, which will continue into the foreseeable future; the Issuer's inability to pay dividends; volatility in the Issuer's share price, the continuation of the Issuer's management team and the Issuer's ability to secure the specialized skill and knowledge; relations with and claims by local communities and non-governmental organizations; unanticipated reclamation expenses; title disputes or claims; actual and perceived political risks in local jurisdictions; the effectiveness of the Issuer's internal control over financial reporting; cybersecurity risks; general business, economic, competitive, political and social uncertainties; loss of foreign issuer status; and public health crises such as the COVID-19 pandemic and other uninsurable risks.

## SCIENTIFIC AND TECHNICAL INFORMATION

The scientific and technical information contained in this offering document relating to the Issuer's mineral properties has been reviewed and approved by Lewis Teal, Senior Consultant to the Issuer, a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

## CURRENCY

All references in this Offering Document to "dollars" or "\$" are to Canadian dollars, unless otherwise expressly stated.

## PART 2 - SUMMARY DESCRIPTION OF BUSINESS

### What Is Our Business?

The Issuer was incorporated under the laws of the Province of British Columbia and under the Business Corporations Act (British Columbia) on January 13, 1981 under the name "**Oscar Petroleum Corp.**" On April 20, 1983, the Issuer changed its name to "**Oscar Resources Ltd.**" On July 17, 1987, the Issuer changed its name to "**Overture Ventures Ltd.**" and consolidated its share capital on the basis of every 2.5 shares being consolidated into 1 common share. On January 11, 1994, the Issuer changed its name to "**XYQuest Venture Corp.**" and consolidated its share capital on the basis of every 5 shares being consolidated into 1 common share. On June 21, 1996, the Issuer cancelled 121,875 escrowed shares and reduced its authorized shares capital to 99,878,125 common shares without par value. On November 22, 1996, the Issuer changed its name to "**Polar Bear Ventures Ltd.**" On February 24, 1999, the Issuer changed its name to "**Iciena Ventures Inc.**" and consolidated its share capital on the basis of every 8 shares being consolidated into one common share without par value. On January 18, 2013, changed its name to "**Barksdale Capital Corp.**" On March 3, 2020, the Issuer changed its name to "**Barksdale Resources Corp.**"

The Issuer's corporate office and its principal place of business is located at 67 East 5<sup>th</sup> Avenue, Vancouver, B.C. V5T 1G7. The Shares of the Issuer trade on the TSXV under the symbol "BRO" and on the OTCQX under the symbol "BRKCF". The Issuer is a reporting issuer in the provinces of British Columbia and Alberta. The Issuer is a base metal exploration company headquartered in Vancouver, B.C., that is focused on the acquisition, exploration and advancement of highly prospective base metal projects in North America. Barksdale holds interests in multiple exploration projects within the Patagonia Mining district located in Santa Cruz County, Arizona. These projects include Sunnyside, Four Metals, San Antonio, Canelo, Goat Canyon, as well as the Guajolote property (collectively, the "**Mineral Properties**"), for which the Issuer holds both mineral and certain private surface rights. Pursuant to an option agreement entered into among and by the Issuer, Tusk Exploration Ltd., San Javier De Cobre, S.A. DE C.V. and Estrella De Cobre, S.A. De C.V. on September 22, 2020, the Issuer holds an option to acquire the San Javier copper-gold project located in Sonora, Mexico. Barksdale is currently advancing the Sunnyside copper-zinc-lead-silver and San Antonio copper projects, both of which are in the Patagonia mining district of southern Arizona, as well as the San Javier copper-gold project in central Sonora, Mexico.

## RECENT DEVELOPMENTS

The key recent developments in our business are as follows:

### Sunnyside Property

The Issuer shall allocate substantially all of the net proceeds of the Offering towards further exploration on its Sunnyside project comprised of 286 unpatented mining claims totaling approximately 2,113.96 hectares located in the Patagonia Mountains of southern Arizona (the “**Sunnyside Property**”). The Sunnyside Property is cored by a large intrusive complex confirmed by previous drilling. This setting is interpreted to have driven a large hydrothermal system which resulted in deposition of a classically zoned porphyry copper deposit and carbonate replacement deposits.

Pursuant to an option agreement (the “**Sunnyside Agreement**”) entered into between Barksdale and Regal Resources USA, Inc., a subsidiary of Regal Resources on August 10, 2017, to acquire, by way of option, up to a 67.5% undivided interest in the Sunnyside Property in consideration of a combination of cash payments, share issuances and exploration expenditures (the “**Sunnyside Option**”).

The Sunnyside Option is exercisable in two stages with the Issuer entitled to acquire an initial 51% interest in the Sunnyside Property upon making payments totaling \$2,950,000 cash and the issuance of 10,100,000 common shares to Regal Resources USA, Inc. and cumulative expenditures of \$6,000,000 on the property during the first two years of the Sunnyside Option following receipt of all required governmental permits.

Upon acquiring an initial 51% interest in the Sunnyside Property, the Issuer will be entitled to increase its interest to 67.5% upon payment of additional \$550,000 cash and the issuance of 4,900,000 common shares to Regal and the expenditure of an additional \$6,000,000 on the property within a further two-year period.

Until September 2023, the Issuer’s exploration of the Sunnyside Property was limited to surface exploration pending approval from the USFS to commence drilling on the property. Surface exploration in 2019 consisted of detailed 1:6000 surface geologic mapping, structural analysis, three-dimensional computer modeling and data compilation. A multiple element geostatistical analysis of the 2018 surface geochemical sampling (1,904 samples) collected over the northern half of the Sunnyside Property.

In the first half of calendar year 2023, the Issuer received three major approvals related to the Sunnyside Property, including a positive Environmental Assessment (“**EA**”), a Finding of No Significant Impact (“**FONSI**”), and a positive Decision Memorandum (“**DM**”) from the United States Forest Service (the “**USFS**”). In September 2023, the Issuer had received all required governmental permits, and commenced drilling.

In January 2023, the USFS published a draft Decision Memorandum, the FONSI, and draft Decision Memorandum (“**DM**”) for the Issuer’s seven-year exploration drilling proposal at its Sunnyside Property. On June 19, 2023 the USFS issued a DM and FONSI for the Sunnyside Property pending final approval for the Issuer’s Sunnyside Plan of Operations (“**PoO**”).

Various non-profit environmental groups filed a lawsuit in the United States District Court for the District of Arizona (“**USD Court**”) against the USFS seeking to set aside its DM and FONSI related to the Issuer’s Sunnyside Property (as well as that of a nearby project) alleging that the USFS made certain errors in its analysis related to cumulative impacts of the various exploration and mining projects in the area, potential effects to various species of wildlife, and baseline conditions of groundwater resources.

The Issuer had voluntarily agreed with the plaintiffs and the US Department of Justice to delay drilling at Sunnyside until September 15, 2023, pending the hearing of a preliminary injunction (“**PI**”) request by the plaintiffs to the USD Court to halt drilling at the Sunnyside Property. During this period, Barksdale continued to work with the USFS to finalize and approve the Issuer’s Sunnyside PoO. Approval of the Sunnyside PoO was obtained in September 2023. In September 2023, the Issuer also received a positive court ruling, in which the Plaintiffs request for the PI was denied. Subsequently, the Plaintiff appealed the Federal District Court’s ruling which was denied.

In mid-September 2023, the Issuer commenced drilling at the first target, a 765 meter deep core wedge hole, SUN-001. A second drill rig was added to the drill program in October 2023, which is drilling in the South Canyon area with hole SUN-002. In October 2023, the SUN-001 hole encountered a 20-meter void as it transitioned from volcanics into the targeted carbonate horizon which resulted in its abandonment prior to testing the mineralized horizon. The Issuer decided to start a new hole from surface, currently in progress.

Please see the Issuer's news releases filed on SEDAR+ on September 6, 2023, September 25, 2023, October 17, 2023 and October 23, 2023 for more details regarding the Sunnyside Property.

The Company announced by news releases dated December 13, 21 and 29, 2023 that it was seeking TSX Venture Exchange acceptance to further extend the maturity date of the secured convertible debenture ("**Debentures**") held by Delbrook Capital Advisors Inc. ("**Delbrook**") for an additional year and that the parties in the meantime had agreed to an interim extension of two weeks from December 31, 2023 until January 15, 2024 in order to give the parties ample time to complete preparation of the necessary documentation and obtain TSX Venture acceptance to the full extension of the Debentures to December 31, 2024. Delbrook provided a waiver of any default by the Issuer that is in effect until January 15, 2024 that may have arisen as a result of the Debentures becoming due on December 31, 2023 without an extension agreement in place. The Debentures have a remaining principal amount of \$1,500,000 and all other terms of the Debentures including the conversion price remain unchanged.

On January 5, 2024, the TSX Venture Exchange provided conditional acceptance to a draft of the Second Amended and Restated Convertible Debenture Extension and Accrued Interest Settlement Agreement dated December 21, 2023 ("**Second A&R Agreement**"), among the Company and Delbrook, extending the maturity date of the Debenture from December 31, 2023, to December 31, 2024 ("**Extension**"), as well as to the Company issuing 2,777,777 new transferable share purchase warrants ("**Extension Warrants**") to Delbrook in replacement of the 2,777,777 outstanding share purchase warrants issued to Delbrook as a bonus for an extension of the Debenture in 2023, to expire. Each Extension Warrant will entitle the holder thereof to purchase one common share in the capital of the Corporation (the "**Extension Warrant Shares**") at a price of \$0.60 per Extension Warrant Share until December 31, 2024. The Second A&R Agreement has been finalized and executed and issuance of the Extension Warrants is scheduled to complete January 12, 2024, upon which final TSXV acceptance to the transaction is expected to be received.

On January 4, 2024, the Company received TSX Venture Exchange acceptance to a securities for debt settlement (the "**Interest Debt Settlement**") whereby the interest accrued under the Debentures in the aggregate amount of **\$187,083.00** will be exchanged for **467,708** units (each, a "**Unit**"). Each Unit will consist of one common share of Barksdale (each a "**Common Share**") and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant shall entitle the holder to acquire one Common Share at a price of **\$0.60** for a period of 3 years from the date of issuance. Any subsequent interest accrued under the Debentures after December 27, 2023 shall be payable in accordance with the terms and conditions of the Debentures. Issuance of the Units with regards to the Interest Debt Settlement is also scheduled to complete January 12, 2024.

On January 9, 2024, the Company closed a first tranche of the Offering. Under the Offering, the Company issued a total of 9,775,970 Units to raise gross proceeds of \$3,910,388 in the first tranche.

The Company paid a cash commission of \$183,768 to the Agent on the gross proceeds raised under the Brokered Offering and issued 459,420 compensation warrants to the Agent (each, a "**Compensation Warrant**") based on the aggregate number of Units sold pursuant to the Brokered Offering. Each Compensation Warrant is exercisable at \$0.40 per Compensation Warrant for a period of three (3) years from the date of issuance. In addition, the Company paid a finder's fee of \$27,455 and issued 68,638 finder warrants ("**Finder's Warrants**") to Canaccord Genuity Corp. in accordance with applicable securities laws, in connection with the Non-Brokered Offering. Each Finder's Warrant is exercisable at \$0.60 per Finder Warrant for a term of three (3) years.

The Company expects to close a second and final tranche of the Non-Brokered Offering in the coming week.

**MATERIAL FACTS**

There are no material facts about the securities being distributed that have not been disclosed in this Offering Document or in any other document filed by the Issuer in the 12 months preceding the date of this Offering Document on the Issuer's profile at [www.sedarplus.ca](http://www.sedarplus.ca). You should read these documents prior to investing.

**BUSINESS OBJECTIVES AND MILESTONES****What are the business objectives that we expect to accomplish using the available funds?**

The following table sets out: (i) the business objectives the Issuer expects to accomplish using its available funds following the Offering; (ii) the significant event(s) that must occur for each business objective to be accomplished; and (iii) the anticipated time period for completion and estimated cost for each such event (assuming the maximum amount sold under the Offering).

<b>Business Objectives</b>	<b>Preceding Significant Event(s) (each, an "Event")</b>	<b>Expected Time Period for Event</b>	<b>Cost of Event (Assuming 100% of the Minimum Offering)</b>	<b>Cost of Event (Assuming 100% of the Maximum Offering)</b>
Mineral Properties maintenance costs	Mineral Properties maintenance costs	12 months	Nil	\$325,000
Sunnyside Drilling	Sunnyside Drilling	12 months	Nil	\$1,942,055
General and Administrative Expenses	General and Administrative Expenses	12 months	\$267,055	\$805,000
<b>TOTAL</b>			<b>267,055</b>	<b>\$3,072,055</b>

**PART 3 - USE OF AVAILABLE FUNDS****What will our available funds be upon the closing of the Offering?**

		<b>Assuming Minimum Offering only</b>	<b>Assuming 100% of the Maximum Offering</b>
A	Amount to be raised by this offering	\$2,000,000	\$5,000,000
B	Selling commissions and fees	\$235,000	\$430,000
C	Estimated offering costs (e.g., legal, accounting, audit)	\$22,400	\$22,400
D	Net proceeds of offering: D = A - (B+C)	\$1,742,600	\$4,547,600
E	Working capital as at most recent month end (deficiency)	(\$1,475,545)	(\$1,475,545)
F	Additional sources of funding	\$Nil	\$Nil
G	Total available funds: G = D+E+F	<b>\$267,055</b>	<b>\$3,072,055</b>

**USE OF AVAILABLE FUNDS****How will we use the available funds?**

The Issuer intends to use the available funds as follows (assuming the maximum amount sold under the Offering):

Description of intended use of available funds listed in order of priority	Assuming 100% of the Minimum Offering	Assuming 100% of the Maximum Offering
Mineral Properties Maintenance Costs	Nil	\$325,000
Sunnyside Drilling	Nil	\$1,942,055
General and Administrative	\$267,055	\$805,000
Payment of trade payables comprising the Working Capital Deficiency of \$1,475,545	\$1,475,545	\$1,475,545
Unallocated Working Capital	Nil	Nil
<b>Total: (Equal to G in the Use of Available Funds table)</b>	<b>\$1,742,600</b>	<b>\$4,547,600</b>

The above-noted allocation of capital and anticipated timing represents the Issuer’s current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Issuer intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including where the Offering is not fully subscribed and the Issuer’s ability to execute on its business plan. The Issuer has generated negative cash flows from operating activities since inception and anticipates that it will continue to have negative operating cash flow beyond the 12 months after the Closing Date of the Offering. As a result, certain of the net proceeds from this Offering may be used to fund such negative cash flow from operating activities in future periods. See the “Cautionary Note Regarding Forward-Looking Information” section above.

The most recent unaudited interim financial statements of the Issuer for the six months ended September 30, 2023 included a going-concern note. The Issuer is still in the exploration stage and the Issuer has not yet generated positive cash flows from its operating activities, which may cast doubt on the Issuer’s ability to continue as a going concern. The Offering is intended to permit the Issuer to continue to explore its properties, and is not expected to affect the decision to include a going concern note in the next financial statements of the Issuer.

The Issuer reports that the decline in its working capital position since the most recently completed annual financial statements of the Issuer for the year ended March 31, 2023 is the due to the exploration expenditures incurred by the Issuer’s drilling programs as further described in the Issuer’s news releases and subsequent interim financial statements.

#### **How have we used the other funds we have raised in the past 12 months?**

##### *Convertible Debenture with Delbrook Capital Advisors Inc.*

In October, 2022, the Issuer received TSXV acceptance to the extension of the maturity date of its secured convertible debentures (the “**Debentures**”) administered by Delbrook Capital Advisors Inc. (“**Delbrook**”) by one year until December 31, 2023 (“**Debenture Extension**”). Following the Debenture Extension, the terms of the Debentures remained unchanged except for the maturity date and the conversion price, which was increased to \$0.55 per share from \$0.45 per share.

Incidental to the Debenture Extension, the Issuer issued 206,595 units of the Issuer (the “**Interest Units**”) in settlement of \$99,166 of accrued interest payable on the Debentures. Each Interest Unit consists of one common share in the capital of the Issuer (each, a “**Common Share**”) and one-half (½) of one Common Share purchase warrant (each whole warrant, an “**Interest Warrant**”). Each Interest Warrant entitles the holder to acquire one Common Share at a price of \$0.72 for a period of three years from the date of issuance. In exchange for extending the Debentures, the Issuer also issued 2,777,777 Common Share purchase warrants as an extension payment, exercisable into 2,777,777 Common Shares at a price of \$0.72, for a period lasting up to December 31, 2023 (“**Extension Warrants**”).



As of the date hereof, the Issuer has received conditional acceptance from the TSXV to a draft of the Second A&R Agreement relating to the Extension of the maturity date of the Debentures to December 31, 2024 and replacement of the 2,777,777 Extension Warrants with an equal number of warrants having an exercise price of \$0.60 for a period lasting up to December 31, 2024. The Second A&R Agreement has now been finalized and executed. Issuance of the Extension Warrants is scheduled to complete January 12, 2024, upon which final TSXV acceptance to the transaction is expected to be received.

The Company also received TSXV acceptance to the Interest Debt Settlement whereby the interest accrued under the Debentures in the aggregate amount of \$187,083.00 will be exchanged for 467,708 Units of the Company. Issuance of the Units with regards to the interest Debt Settlement is also scheduled to complete January 12, 2024.

### **Warrant and Option Exercises**

During the year ended March 31, 2023, the Issuer issued 8,058,787 common shares in connection with the exercise of 8,058,787 warrants with an exercise price of \$0.55 for total proceeds of \$4,432,333.

During the year ended March 31, 2023, the Issuer issued 1,090,000 common shares in connection with the exercise of 1,090,000 options with an exercise price of \$0.42 for total proceeds of \$457,800, 133,500 common shares in connection with the exercise of 133,500 options with an exercise price of \$0.53 for total proceeds of \$70,755, 645,303 common shares in connection with the exercise of 645,303 options with an exercise price of \$0.365 for total proceeds of \$235,535, and 25,000 common shares in connection with the exercise of 25,000 options with an exercise price of \$0.50 for total proceeds of \$12,500.

During the six months ended September 30, 2023, the Issuer issued 261,813 common shares with a fair value of \$167,560 in accordance with the option agreement for Four Metals and issued 39,400 common shares in connection with the exercise of 39,400 options with an exercise price of \$0.68 for total proceeds of \$26,792.

The Issuer's operating and administrative expenses for the six months ended in September 30, 2023 totaled \$1,784,497 including share-based compensation incurred during the period, valued at \$736,549.

The Issuer has used the funds to date to advance the Barksdale's mineral projects in Arizona and Mexico and for general corporate and working capital purposes, which is consistent with the proposed use of funds. In particular, the focus has been on funding the 2023 drill program at the Issuer's Sunnyside Property as well as preparing an initial resource estimate at Cerro Verde as part of the San Javier copper-gold project in Sonora, Mexico.

## **PART 4 - FEES AND COMMISSIONS**

**Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?**

<b>Agents:</b>	The Issuer has engaged Cormark to act as sole agent for the Brokered Offering. Under the Brokered Offering, the Units will be offered and sold on a "best efforts basis" subject to the terms and conditions of the Agency Agreement.
<b>Compensation Type:</b>	Cash Fee and the Broker Warrants (as defined below).
<b>Cash Fee:</b>	6% cash fee of the gross proceeds of the Offering (the "Cash Fee")
<b>Broker Warrants:</b>	Broker warrants equal to 6% of the aggregate number of Units issued by the Issuer under the Offering (each, a "Broker Warrant"). Each Broker Warrant will entitle the holder thereof to acquire one Share at an exercise price of \$0.40 for a period of 36 months from the date of Closing.

- Finders:** The Issuer may engage eligible finders qualified under applicable securities laws and TSXV policies and rules for the Non-Brokered Offering.
- Compensation Type:** Cash Fee and the Finder Warrants (as defined below).
- Cash Fee:** 6% cash fee of the gross proceeds of the Offering (the “Cash Fee”)
- Finder Warrants:** Finder warrants equal to 6% of the aggregate number of Units issued by the Issuer under the Non-Brokered Offering (each, a “Finder Warrant”). Each Finder Warrant will entitle the holder thereof to acquire one Share at an exercise price of \$0.60 for a period of 36 months from the date of Closing.

**Do the Agents have a conflict of interest?**

To the knowledge of the Issuer, it is not a “related issuer” or “connected issuer” of or to the Agents, as such terms are defined in National Instrument 33-105 - Underwriting Conflicts.

**PART 5 - PURCHASERS’ RIGHTS**

**Rights of action in the Event of a Misrepresentation.**

**If there is a misrepresentation in this Offering Document, you have a right**

- a) to rescind your purchase of these securities with the Issuer, or
- b) to damages against the Issuer and may, in certain jurisdictions, have a statutory right to damages from other persons.

**These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.**

**If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.**

**You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.**

**PART 6 - ADDITIONAL INFORMATION ABOUT THE ISSUER**

**Where can you find more information about us?**

Security holders can access the Issuer’s continuous disclosure filings on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under the Issuer’s profile and on the Issuer’s website at [www.barksdaleresources.com](http://www.barksdaleresources.com).

**INVESTORS SHOULD READ THIS OFFERING DOCUMENT AND CONSULT THEIR OWN PROFESSIONAL ADVISORS TO ASSESS THE INCOME TAX, LEGAL, RISK FACTORS AND OTHER ASPECTS OF THEIR INVESTMENT IN SHARES.**

**U.S. Securities Law Matters**

The Common Shares and Warrants comprising the Units being offered in the offering have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States except in compliance with, or pursuant to an available exemption from, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This offering document does not constitute an offer to sell, or the solicitation of an offer to buy, any of these securities within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States. "United States" and "U.S. person" have the meanings ascribed to them in Regulation S under the U.S. Securities Act

## **PART 7 - DATE AND CERTIFICATE**

Dated: January 11, 2024

**This Amended and Restated Offering Document, together with any document filed under Canadian securities legislation on or after January 11, 2023, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.**

*“Rick Trotman”*

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**Rick Trotman**  
President, Chief Executive Officer and  
Director

*“Michael Waldkirch”*

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**Michael Waldkirch**  
Chief Financial Officer