



USHA RESOURCES

Offering Document under the Listed Issuer Financing Exemption

March 3, 2023

USHA RESOURCES LTD.
("Usha Resources" or the "Company")

PART 1: SUMMARY OF OFFERING

What are we offering?

Securities offered:	6,153,847 units (the "Units") are offered pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 – Prospectus Exemptions ("NI 45-106", the "LIFE Offering")
Description of offered securities:	Each Unit will consist of one common share of the Company (each, a "Share") and one transferable common share purchase warrant (a "Warrant"). Each Warrant shall entitle the holder to purchase one additional Share of the Company at a price of \$0.50 per Share for a period of three (3) years from the closing date.
Offering price per security:	\$0.325 per Unit
Minimum offering:	\$1,000,000 for a total of 3,076,924 Units
Maximum offering:	\$2,000,000 for a total of 6,153,847 Units
Payment terms:	Wire transfer, bank draft or certified cheque.
Proposed closing date:	On or about March 10, 2023 (the "Closing Date").
Selling agent:	N/A.
Exchange:	The Company's Shares are listed on the TSX Venture Exchange (the "TSXV") (TSXV: USHA) and trade on the OTCQB (OTCQB: USHAF) and the Frankfurt Stock Exchange (FSE: JO0).
Last closing price:	The closing price of the Shares on the TSXV on March 3, 2023 was \$0.345.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

The Company is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 Prospectus Exemptions. In connection with this Offering, the Company represents the following are 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 STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This offering document contains “forward-looking information” within the meaning of applicable Canadian securities laws, which is based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. The forward-looking information included in this offering document is made only as of the date of this offering document. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning: statements concerning future exploration plans at the Company’s mineral properties, including exploration timelines and anticipated costs; the Company’s plans regarding the Nicobat Property, the Lost Basin Property, the Jackpot Property and any additional properties, the Company’s expectations with respect to the use of proceeds and the use of the available funds following completion of the offering, the completion of the offering, if it is to be completed at all; the expected closing date; and completion of the Company’s business objectives, and the timing, costs, and benefits thereof. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Company. Such forward-looking statements and forward-looking information often, but not always, can be identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements or forward-looking information include statements about the future and are inherently uncertain, and the Company’s actual achievements or other future events or conditions may differ materially from those reflected in such forward-looking statements and forward-looking information due to a variety of risks, uncertainties and other factors, including, without limitation, actual results of the Company’s exploration activities being different than those expected by management, delays in obtaining or failure to obtain required government or other regulatory approvals, the ability to obtain adequate financing to conduct its planned exploration programs, inability to procure labour, equipment, and supplies in sufficient quantities and on a timely basis, equipment breakdown, impacts of the current coronavirus pandemic, bad weather, and those risk factors referred to in the Company’s filings available at www.sedar.com. This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements or forward-looking information.

The Company provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company’s annual filings that are available at www.sedar.com. The Company provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, changing circumstances, or otherwise.

PART 2: SUMMARY DESCRIPTION OF BUSINESS

What is our business?

The Company is a Vancouver-based mineral exploration company that is engaged in the acquisition and exploration of interests in mineral properties located in North America with a focus on the development of quality battery and precious metal properties that are drill-ready with high-upside and expansion potential.

The Company’s portfolio of strategic properties provide target-rich diversification and consists of three main properties: (i) The Nicobat Property (a nickel-copper-cobalt project in Ontario), (ii) the Lost Basin Property (a gold-copper project in Arizona), and (iii) the Jackpot Properties (a lithium project in Nevada), which are described below.

The Nicobat Property

The Nicobat Property is the Company's nickel-copper property which is located in the District of Rainy River, Ontario, Canada. The Company holds an 85% interest subject to a 2% net smelter returns ("NSR") interest.

Lost Basin Property

The Lost Basin Property is the Company's gold-copper property which is located in the Lost Basin Gold Mining District in Mohave County, Arizona, USA. The Company holds an option to acquire 100% of AJA Mining LLC and Gold Basin Mining EXP LLC's (the "**Lost Basin Optionors**") interest in the Property which comprises a total of 133 mineral claims.

Jackpot Lake Property

The Jackpot Lake Property is the Company's lithium property which is located within Clark County, 35 kilometres northeast of Las Vegas, Nevada. The Company holds an option to acquire 100% of Ares Strategic Mining Inc.'s interest in the Property which comprises a total of 140 mineral claims.

Recent Developments

On May 10, 2022, the Company announced its intention to spin out the Nicobat Property to its wholly-owned subsidiary, Formation Metals Inc. by way of a plan of arrangement (the "**Plan of Arrangement**"). The Company received approval to the Plan of Arrangement from its shareholders at its annual general and special meeting held on December 16, 2022, and final approval by the Supreme Court of British Columbia on January 6, 2023. On March 2, 2023, the Company announced its intention to close the Plan of Arrangement on March 24, 2023.

On November 10, 2022, the Company announced that it had begun exploration at its Jackpot Lake property. The Company announced it had commenced its maiden drill program at its Jackpot Lake property on December 1, 2022, and provided subsequent updates on December 8, 2022 and February 7, 14, 16, 21, and 28, 2023. Summarized developments include:

- Dec 1, 2022: Arrival of the drill rig and commencement of the preparation of access roads and primary drill pads for its maiden drill program.
- Dec 8, 2022: Update on drilling progress, announcing that it had reached a depth of 250 metres on its first hole.
- Feb 7, 2023: Completion of the first hole to a depth of 525 metres.
- Feb 14, 2023: Commencement of the second hole of its maiden drill program.
- Feb 16, 2023: Staking of 302 claims within the Dry Lake Basin, increasing the amount of land it controlled to 442 mineral claims inclusive of the optioned claims from Ares Strategic Mining Inc.
- Feb 21, 2023: Update on drilling progress, announcing that it had reached a depth of 231 metres on its second hole.
- Feb 28, 2023: Update on drilling progress, announcing that it had reached a depth of 534 metres on its second hole.

On February 28, 2023, the Company also announced that it was actively reviewing opportunities to acquire or develop additional projects in the lithium industry with a specific focus on portfolio expansion into Ontario and Quebec. These acquisitions, if completed, would be complementary to the Company's flagship Jackpot Lake Lithium Brine Project as they would add "hard-rock" lithium assets to the Company's portfolio. Investors were cautioned that there is no assurance that negotiations involving any potential acquisition would conclude successfully.

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 Company in the 12 months preceding the date of this offering document.

What are the business objectives that we expect to accomplish using the available funds?

The Company intends to use the proceeds raised from the LIFE Offering for exploration of the Company's projects in Nevada, Arizona and to increase its working capital. Specifically, in Nevada, the funds will be used by the Company to advance the Company's project through completing further drilling with the goal of defining an NI 43-101 resource in 2023. Additionally, funds will be used to make the option payment on its Lost Basin project, and to assess any non-material acquisitions it may make to strength its portfolio of projects.

PART 3: USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

		Assuming minimum offering only (\$)	Assuming 100% of Offering (\$)
A	Amount to be raised by this Offering	1,000,000	2,000,000
B	Selling commissions and fees	70,000	140,000
C	Estimated Offering costs (e.g., legal, accounting, audit)	30,000	30,000
D	Net proceeds of Offering: $D = A - (B+C)$	900,000	1,830,000
E	Working capital as at most recent month end (deficiency)	1,150,000	1,150,000
F	Additional sources of funding	0	0
G	Total available funds: $G = D+E+F$	2,050,000	2,980,000
Notes:			

How will we use the available funds?

We will use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming minimum offering only (\$)	Assuming 100% of offering (\$)
Exploration Activities in Nevada	750,000	750,000
Exploration Activities in Arizona	50,000	50,000
General corporate and administrative expenses	400,000	400,000
Acquiring new exploration property (acquisitions will not be significant acquisitions)	100,000	100,000
Investor relations	250,000	250,000
Unallocated working capital	500,000	1,430,000
Notes:		
<ol style="list-style-type: none">1. The above noted allocation of capital and anticipated timing represents the Company'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 Company 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 the Company's ability to execute on its business plan. See the "Cautionary Statement Regarding Forward-Looking Information" section above.2. The most recent unaudited interim financial statements of the Company included a going concern note. Management is aware, in making its going concern assessment, of recurring losses, on-going negative cash flow and an ongoing dependence on financing activities that may cast significant doubt on the Company's ability to continue as a going concern. The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. The business of mining and exploration involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its properties, making the required payments pursuant to mineral property option agreements and/or securing additional financing, all of which are uncertain. The offering is intended to permit the Company to continue its operations, with the goal of advancing its exploration		

<p>activities and is not expected to affect the decision to include a going concern note in the next financial statements of the Company.</p> <p>3. The available funds will not be paid to an insider, associate, or affiliate of the Company, except for normal course salaries or consulting fees currently paid by the Company to its officers and/or directors.</p>
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How have we used the other funds we have raised in the past 12 months?

Financing Details	Proposed Use of Proceeds	Actual Use of Proceeds / Explanation of Variance	Impact of Variances
Private placement financing closed April 1, 2022 for aggregate gross proceeds of \$230,800.	Exploration work and general working capital, including payment of finder’s fees.	The funds were used as planned.	N/A
Private placement financing closed May 13, 2022 for aggregate gross proceeds of \$880,499.	Exploration work and general working capital, including payment of finder’s fees.	The funds were used as planned.	N/A
Private placement financing closed May 17, 2022 for aggregate gross proceeds of \$430,500.	Exploration work and general working capital, including payment of finder’s fees.	The funds were used as planned.	N/A
Private placement financing closed June 14, 2022 for aggregate gross proceeds of \$1,165,602.	Exploration at Jackpot Lake Property and the Lost Basin Property, completion of Plan of Arrangement with Formation, general working capital, including payment of finder’s fees.	The funds were used as planned.	N/A

PART 4: FEES AND COMMISSION

Who are the dealers or finders (“Agent(s)”) that we have engaged in connection with this Offering, if any, and what are their fees?

- a) the name of the dealer, finder, or other person

The Company may pay finder’s fees to investment dealers and eligible finders (each, a “Finder”) in respect of subscribers introduced by the Finder. Further information will be provided in subsequent news releases, once available.

- b) a description of each type of compensation and the estimated amount to be paid for each type

The Company will pay a Cash Fee and will issue Finder’s Warrants (as defined below).

- c) if a commission is being paid, the percentage that the commission will represent of the gross proceeds of the offering (assuming both the minimum and maximum offering)

The Company will pay a cash fee equal to 8% of the gross proceeds raised in the LIFE Offering (the “Cash Fee”).

- d) details of any broker’s warrants or agent’s option (including number of securities under the warrants or option, exercise price and expiry date)

The Company will issue the finders such number of finder’s warrants (each a “Finder’s Warrant”) equal to 8% of the number of Units sold pursuant to the LIFE Offering. Each Finder’s Warrant shall entitle the holder thereof to acquire one additional Share of the Company at a price of \$0.50 per Share for a period of three (3) years from the Closing Date.

- e) if any portion of the compensation will be paid in securities, details of the securities (including number, type and, if options or warrants, the exercise price and expiry date)

See Item 4(d) above.

Do the Agent(s) have a conflict of interest?

To the knowledge of the Company, the Company is not a “related issuer” or “connected issuer” of or to any Agent(s), 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 Usha Resources, or
- b) to damages against Usha Resources 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

Where can you find more information about us?

Additional information about the Company (including its continuous disclosure documents) may be found under the Company’s SEDAR profile at www.sedar.com, as well as on the Company’s website at www.usharesources.com.

PART 7: DATE AND CERTIFICATE

This offering document, together with any document filed under Canadian securities legislation on or after March 3, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

Dated: March 3, 2023

“Deepak Varshney”

Deepak Varshney
CEO

“Khalid Naeem”

Khalid Naeem
CFO