Nevada Energy Metals Inc.

Condensed Consolidated Interim Financial Statements

Quarter 1 – Three months ended 30 September 2018

(Unaudited)

(Expressed in Canadian dollars)

Nevada Energy Metals Inc.

Condensed Consolidated Interim Statements of Financial Position
As at 30 September 2018 and 30 June 2018
(Unaudited)
(Expressed in Canadian dollars)

	Notes	**As at 30 June 2018**	As at 30 June 2018 (audited)
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		**1,246,331**	1,328,995
Amounts receivable	4	**21,604**	15,783
Short term investment	5	**-**	-
Prepaid expenses		**-**	-
		1,267,935	1,344,778
Exploration and evaluation properties	6	**168,390**	131,292
Total assets		**1,436,326**	1,476,070
EQUITY (DEFICIENCY) AND LIABILITIES			
Current liabilities			
Trade and other payables	7	**74,834**	25,464
		74,834	25,464
Equity			
Common shares	8	**2,632,587**	2,676,587
Reserves	8	**4,282,648**	4,118,648
Deficit		**(5,553,744)**	(5,344,629)
Total equity		**1,361,491**	1,450,606
Total equity and liabilities		**1,436,326**	1,476,070

Nature of operations and going concern (Note 1), **Commitments and Contingencies** (Note 16) and **Subsequent events** (Note 18)

APPROVED BY THE BOARD:

"Tim Fernback" *"John Oness"*

Tim Fernback John Oness

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

Nevada Energy Metals Inc.

Interim Statements of Loss and Comprehensive Loss
For the three months ended 30 September 2018 and 2017
(Unaudited)
(Expressed in Canadian dollars)

	Notes	30 September 2018	30 September 2017
		$	$
Administration expenses			
Bank charges and interest		**411**	1,198
Consulting	12.1	**175,500**	49,500
Marketing and communications	8.2	**4,501**	12,781
Office and miscellaneous	12.1	**3,825**	1,684
Professional fees	12.1	**3,441**	363
Rent	12.1	**9,364**	9,305
Transfer agent fees		**4,053**	1,949
Loss before other items		**(201,095)**	(76,780)
Other items			
Foreign exchange loss		**(8,021)**	(2,262)
Loss on sale of short term investments		**-**	(1,066)
Net loss for the period		**(209,115)**	(80,108)
Other comprehensive gain			
Unrealized loss on short term investments	5	**-**	(83,429)
Net comprehensive loss for the period		**(209,115)**	(163,536)
Loss per share			
Basic and diluted	9	**(0.044)**	(0.035)

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

Nevada Energy Metals Inc.

Interim Statements of Cash Flows
For the three months ended 30 September 2018 and 2017
(Unaudited)
(Expressed in Canadian dollars)

	Notes	**30 September 2018**	30 September 2017
		$	$
OPERATING ACTIVITIES			
Loss for the period		**(209,115)**	(80,108)
Adjustment for:			
Shares for service	8	**-**	-
Finder's fee		**-**	-
Changes in operating working capital:			
Decrease (increase) in trade and other receivables		**(5,821)**	(3,179)
Decrease (increase) in prepaid expenses		**-**	3,790
Increase in trade and other payables		**49,370**	79,598
Cash from (used) in operating activities		**(165,566)**	101
INVESTING ACTIVITIES			
Exploration and evaluation properties expenditures	6	**(37,098)**	(19,977)
Proceeds from sale of short term investment	5	**-**	32,485
Cash from (used) in investing activities		**(37,098)**	12,508
FINANCING ACTIVITIES			
Proceeds from issuance of common shares	8	**120,000**	-
Cash from financing activities		**120,000**	-
Increase (decrease) in cash and cash equivalents		**(82,664)**	12,609
Cash and cash equivalents, beginning of period		**1,328,995**	97,371
Cash and cash equivalents, end of period		**1,246,331**	109,980

Supplemental cash flow information (Note 14)

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

Nevada Energy Metals Inc.
Interim Statements of Changes in Equity (Deficiency)
For the three months ended 30 September 2018 and 2017
(Unaudited)
(Expressed in Canadian dollars)

	Number of common shares	Common shares	Stock option reserve	Warrant reserve	Investment revaluation reserve	Deficit	Total
		$	$	$	$	$	$
Balances, 30 June 2017	4,679,209	2671,615	838,903	3,279,745	40,000	(5,806,013)	1,024,250
Shares issued for:							
Exercise of warrants	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-
Finder's fees	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	(80,000)	(80,106)	(160,106)
Balances, 30 September 2017	**93,584,171**	**2,671,615**	**838,903**	**3,279,745**	**(40,000)**	**(5,886,120)**	**864,142**
Shares issued for:							
Exercise of warrants	9,944	4,972	-	-	-	-	4,972
Share-based payments	-	-	-	-	-	-	-
Unrealized gain on short term investments	-	-	-	-	40,000	-	40,000
Net loss for the period	-	-	-	-	-	541,491	541,491
Balances – 30 June 2018	4,689,153	2,676,587	838,903	3,279,745	-	(5,344,629)	1,450,606
Shares issued for:							
Cash	1,000,000	120,000	-	-	-	-	120,000
Exercise of warrants	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-
Finder's fees	50,000	-	-	-	-	-	-
Value assigned to warrants	-	(164,000)	-	164,000	-	-	-
Unrealized loss on short term investments	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	(209,115)	(209,115)
Balances, 30 September 2018	**5,739,153**	**2,632,587**	**838,903**	**3,443,745**	**-**	**(5,553,744)**	**1,361,491**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Nevada Energy Metals Inc. (the "Company") was incorporated on 2 June 2011 under the laws of the province of British Columbia. The Company is a reporting issuer in British Columbia and Alberta, on the TSX Venture Exchange ("TSXV") under the trading symbol "BFF", co-listed on the OTCQB (United States) under the symbol "SSMLF". The Company is in the process of acquiring, exploring and developing mineral resources located in Nevada. The Company will attempt to bring the properties to production, structure joint ventures with others, option or lease properties to third parties, or sell the properties outright. The Company has not yet determined whether these properties contain ore reserves which are economically recoverable and the Company is considered to be in the exploration stage.

On 3 March 2016, the Company incorporated a wholly owned subsidiary in Nevada, US, Nevada Energy Metals, USA Inc. (Note 2.1).

On 24 January 2018, the Company consolidated its share capital on one (1) new common share without par value for every two (2) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation.

The head office and principal address is located at Suite 1220, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to date, the Company has incurred losses from operations, earned no revenues and has experienced negative cash flows from operating activities. As at 30 September 2018, the Company had cash and cash equivalents of $1,246,331 (30 June 2018: $1,328,995) and working capital of $1,193,101 (30 June 2018: $1,319,314), but management cannot provide assurance that the Company will ultimately achieve profitable operations, or raise additional debt and/or equity capital. Existing funds on hand at 30 September 2018 will not be sufficient to support the Company's needs for cash to conduct exploration and to continue operations during the current year. The Company will require additional funding to be able to meet ongoing requirements for general operations and to advance and retain mineral exploration and evaluation property interests. The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or the disposition of properties in the future.
Management has been successful in obtaining sufficient funding for operating, exploration and capital requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to the management of the Company.

If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to further curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures including ceasing operations. These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and statement of financial position classifications that would be necessary if the going concern assumption was not appropriate, such adjustments could be material.

2. BASIS OF PREPARATION

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary as follows:

Name	Country of Incorporation	% Equity interest at 30 September 2018	% Equity interest at 30 June 2018
Nevada Energy Metals USA Inc. (Note 1)	USA	100%	100%

Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The consolidated financial statements of the subsidiaries are included in the consolidated financial statements from the date that control is obtained to the date control ceases. All inter-company transactions, balances, income and expenses are eliminated in full upon consolidation.

2.2 Basis of presentation

The Company's consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 10, and are presented in Canadian dollars except where otherwise indicated.

2.3 Statement of compliance

The condensed consolidated interim financial statements of the Company and its subsidiaries have been prepared in accordance with International Accounting Standards ("IAS") 34, '*Interim Financial Reporting*' using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining the point at which a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop the property are capitalized into development assets. The determination may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of loss and comprehensive loss in the year when new information becomes available.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

Decommissioning and restoration costs

Management is not aware of any material restoration, rehabilitation and environmental provisions as at 30 September 2018 and 2017. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measure at fair value and these estimates are updated annually. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the exploration and evaluation property. Such estimates are subject to change based on changes in laws, regulations and negotiations with regulatory authorities.

Impairment of financial assets

At each reporting date the Company assesses financial assets not carried at fair value through profit or loss to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicates that one or more events occurred during the period that negatively affected the estimated future cash flows of the financial asset.

Objective evidence that financial assets are impaired can include significant financial difficulty of the issuer or debtor, default or the disappearance of an active market for a security. If the Company determines that a financial asset is impaired, judgment is required in assessing the available information in regards to the amount of impairment; however the final outcome may be materially different than the amount recorded as a financial asset.

Share based payments

Management assesses the fair value of stock options granted in accordance with the accounting policy stated in note 3.12. The fair value of stock options is measured using the Black-Scholes Option Valuation Model. The fair value of stock options granted using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. Under the residual method, one component is measured first and the residual amount is allocated to the remaining component. The Company measures the value of the common shares first. The balance, if any, is allocated to the warrants. Any fair value attributed to the warrants is recorded as reserves.

Deferred income taxes

Judgement is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realized the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company and its subsidiary operate could limit the ability of the Company to obtain tax deductions in future periods.

Going concern

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions (Note 1.1).

Determination of Functional Currency

The functional currency of the Company's subsidiary is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgements to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic event.

3.2 Cash and cash equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less.

3.3 Taxation

Deferred tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and/or (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties. A gain or loss may be incurred upon settlement of the decommissioning obligation.

3.6 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivable are classified as loans and receivables.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities. The fair value is determined by reference to bid prices at the close of business on the reporting date.

Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.7 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.8 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.9 Derecognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.10 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.11 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.12 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

The fair value of the options, as determined using the Black-Scholes Option Valuation Model, which incorporates all market vesting conditions are expensed to profit or loss. The corresponding amount is recorded to the stock options reserve. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.13 Foreign currency translation

The Company's reporting currency and the functional currency of all of its operations, including that of its subsidiary, is the Canadian dollar as this is the principal currency of the economic environment in which it operates.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

(Expressed in Canadian dollars)

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

3.14 Earnings (loss) per share

Basic per share amounts are calculated by dividing the earnings or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted per share amounts are determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares, which consist of share purchase warrants and stock options.

4. AMOUNTS RECEIVABLE

The Company's amounts receivable are as follows:

	As at 30 September 2018	As at 30 June 2018
	$	$
GST/HST receivable	**13,002**	6,117
Shared office costs receivable (Note 12)	**8,602**	9,666
Total amounts receivable	**21,604**	15,783

Included in amounts receivable of the Company are amounts due from related parties which are disclosed in Note 12. The amounts are unsecured, interest-free and repayable upon written notice given from the Company.

(Expressed in Canadian dollars)

5. SHORT TERM INVESTMENT

The Company's available-for-sale investments are as follows:

	As at 30 September 2018		As at 30 June 2018	
	Cost	**Fair Value**	Cost	Fair Value
	$	**$**	$	$
LiCo Energy Metals Inc.	**-**	**-**	-	-
Total short term investments	**-**	**-**	-	-

Lico Energy Metals Inc. ("LiCo") is a company with certain directors in common (Note 12).

During the previous year ended 30 June 2018, the Company received 3,000,000 shares of LiCo valued at $300,000 related to the Black Rock Desert Project option agreement (Notes 6, 12 and 14).

During the previous year ended 30 June 2018, the Company received 4,000,000 shares of LiCo valued at $440,000 related to the Dixie Valley Project option agreement (Notes 6, 12 and 14).

During the previous year ended 30 June 2018, the Company sold a total of 10,500,000 shares of LiCo Energy Metals Inc. for total proceeds of $1,638,708, resulting in a gain of $501,208.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION PROPERTIES

For the period ended 30 September 2018	Teels Marsh West	Clayton Valley BBF-1	Total
Balance, 30 June 2018	131,292	-	**131,292**
Acquisition costs	-	-	**-**
Assaying	-	-	**-**
Consulting	-	-	**-**
Field expenses	-	-	**-**
Geology	-	-	**-**
Maintenance	20,950	16,148	**37,098**
Recoveries	-	-	**-**
Impairment	-	-	**-**
Net increase for the period	20,950	16,148	**37,098**
Balance, 30 September 2018	152,242	16,148	**168,390**

For the year ended 30 June 2018	Teels Marsh West	Clayton Valley BBF-1	San Emidio Li	Dixie Valley	Black Rock Desert	Big Smokey Valley	Total
Balance, 30 June 2017	109,728	-	112,583	130,180	-	145,966	498,457
Acquisition costs	-	-	-	-	-	-	-
Assaying	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-
Field expenses	866	-	-	-	-	-	866
Geology	-	-	-	-	-	-	-
Maintenance	20,698	-	-	-	-	-	20,698
Recoveries	-	-	-	(130,180)	-	-	(130,180)
Impairment	-	-	(112,583)	-	-	(145,966)	(258,549)
Net increase for the year	21,564	-	(112,583)	(130,180)	-	(145,966)	(367,165)
Balance, 30 June 2018	131,292	-	-	-	-	-	131,292

(Expressed in Canadian dollars)

6.1 Teels Marsh West

The Company has staked approximately 100 placer claims located in Teels Marsh, Mineral County, Nevada. (the "Teels Marsh West Property").

6.2 Clayton Valley BFF-1

The Company has staked approximately 77 claims located in Clayton Valley, Esmeralda County, Nevada (the "Clayton Valley BFF-1 Property").

On 31 May 2016, the Company entered into an option agreement with 1074654 Nevada Ltd whereby 1074654 Nevada Ltd. has the option to acquire an undivided 70% interest in the Clayton Valley BFF-1 Property.

In order to earn a 70% interest in the Clayton Valley BFF-1 Property, 1074654 Nevada Ltd. is required to issue shares, make payments and incur exploration expenditures as follows:

		Payments	Shares (Notes 5 and 14)	Exploration Expenditures
		USD$		USD$
Payment on or before 2 June 2016	(received)	$10,000	-	-
Payment on or before 30 June 2016	(received)	$15,000	-	-
Payment on 19 July 2016	(received)	$75,000	400,000	-
On or before 19 July 2017	(cancelled)	$100,000	400,000	$100,000
On or before 19 July 2018	(cancelled)	$100,000	400,000	$300,000
On or before 19 July 2019	(cancelled)	-	-	$600,000
		$300,000	1,200,000	$1,000,000

During the year ended 30 June 2017, the Company recorded a recovery of $102,534 as a result of the option payments received from 1074654 Nevada Ltd.

On 19 July 2017, the option agreement with 1074654 Nevada Ltd. expired without being exercised.

6.3 Dixie Valley

The Company has staked approximately 907 placer claims located in Churchill County, west central Nevada (the "Dixie Valley Project").

On 30 August 2017, the Company reduced to maintain 90 placer claims.

On 14 July 2016, the Company entered into an option agreement with LiCo Energy Metals Inc. ("LiCo") whereby LiCo can acquire a 100% interest, subject to a 3% net smelter return, in 80 mineral claims located in Dixie Valley, Churchill County, Nevada. The option agreement is "non arm's length" and is a related party transaction due to an officer and director in common between

(Expressed in Canadian dollars)

LiCo and the Company (Note 12). The TSX Venture Exchange approved the transaction on 10 August 2016. Pursuant to the terms of the Option Agreement, LiCo has 36 months within which to exercise the option as follows:

		Cash Payments	Share issuances (Notes 5 and 14)	Exploration Expenditures
		USD$		USD$
Upon signing	(received)	20,000	-	-
Upon TSX Venture approval	(received)	180,000	2,000,000	-
On or before 14 July 2017		-	2,000,000	-
On or before 14 July 2018		-	2,000,000	-
On or before 14 July 2019		-	-	1,250,000
		$200,000	6,000,000	$1,250,000

On 30 August 2017, the Company amended the terms of the option agreement as follows:

		Cash Payments	Share issuances (Notes 5 and 14)	Exploration Expenditures
		USD$		USD$
Upon signing	(received)	20,000	-	-
Upon TSX Venture approval	(received)	180,000	2,000,000	-
On or before 30 August 2017	(received)	-	2,000,000	-
On or before 14 July 2018	(received)	-	2,000,000	-
On or before 14 July 2019		-	-	250,000
		$200,000	6,000,000	$250,000

On 31 August 2018, LiCo did not pay the annual property sustaining fees and dropped all the claims.

From the date of the amending agreement, LiCo will be responsible for paying 100% of the annual property sustaining fees due and payable on the property from time to time.

During the previous year ended 30 June 2018, the Company recorded a recovery of $309,820 (2017: $Nil) as a result of the option payments received from LiCo.

During the previous year ended 30 June 2017, the Company issued finders fees of 20,000 common shares valued at $24,000 in connection with staking claims in the Dixie Valley Project (Notes 8 and 14).

6.4 Black Rock Desert

The Company has staked 199 claims located in Washoe County, Nevada (the "Black Rock Desert Project"). The property consists of 199 placer claims (3,980/1,610 hectares) located in southwest Black Rock Desert, Washoe County, Nevada. Reno, a major population center lies 177 kilometers to the southwest.

(Expressed in Canadian dollars)

On 30 August 2017, the Company reduced to maintain 130 placer claims.

On 10 November 2016, the Company entered into an option agreement with LiCo Energy Metals Inc. whereby LiCo can acquire an undivided 70% interest, subject to a 3% Net Smelter Royalty, in the Black Rock Desert Project. The option agreement is "non-arm's length" and is a related party transaction due to an officer and director in common between LiCo and the Company (Note 12).

In order to earn a 70% interest in the Black Rock Desert Project, LiCo is required to issue shares, make payments and incur exploration expenditures as follows:

		Payments	Shares (Notes 5 and 14)	Exploration Expenditures
		USD$		USD$
Cash Payment upon execution	(received)	20,000	-	-
Cash Payment upon Exchange approval	(received)	150,000	1,500,000	-
On or before 10 November 2017		-	1,500,000	-
On or before 10 November 2018		-	1,500,000	-
On or before 10 November 2019		-	-	1,200,000
		$170,000	4,500,000	$1,200,000

On 30 August 2017**,** the Company amended the terms of the option agreement. In order to earn a 100% interest in the Black Rock Desert Project, LiCo is required to issues shares, make payments and incur exploration expenditures as follows:

		Payments	Shares (Notes 5 and 14)	Exploration Expenditures
		USD$		USD$
Cash Payment upon execution	(received)	20,000	-	-
Cash Payment upon Exchange approval	(received)	150,000	1,500,000	-
On or before 30 August 2017	(received)	-	3,000,000	
On or before 10 November 2019		-	-	250,000
		$170,000	4,500,000	$250,000

From the date of the amending agreement, LiCo will be responsible for paying 100% of the annual property sustaining fees due and payable on the property from time to time.

During the previous year ended 30 June 2018, the Company recorded a recovery of $300, as a result of the option payments received from LiCo.

(Expressed in Canadian dollars)

6.5 San Emidio Li

The Company has staked approximately 151 claims located in the San Emidio Desert, Washoe County, Nevada (the "San Emidio Li Project").

On 31 August 2017, the Company did not renew and dropped all the claims. An impairment of $112,583 with respect to the San Emidio Li Project was recorded during the year ended 30 June 2018 (Note 14).

The property is subject to a 1% NSR.

7. TRADE AND OTHER PAYABLES

The Company's trade payables and accrued liabilities are principally comprised of amounts for administrative activities. These are broken down as follows:

	30 September 2018	30 June 2018
	$	$
Trade payables	**1,834**	464
Accrued liabilities	**73,000**	25,000
Total trade and other payables	**74,834**	25,464

8. SHARE CAPITAL

8.1 Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

As at 30 September 2018, the Company had 5,739,153 common shares outstanding (30 June 2018: 4,689,153 common shares).

8.2 Common shares issuances

a) Private Placements

During the period ended 30 September 2018 and year ended 30 June 2018, the Company issued shares through private placements.

a) On 25 September 2018, the Company issued 1,000,000 units at a price of $0.12 per unit for gross proceeds of $120,000. Each unit consists of one common share and one non-transferrable share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company at a price of $0.16 per share for a period of two years. Finder's fees in the amount of 50,000 common shares and 25,000 share purchase warrants were paid in connection with the private placement.

(Expressed in Canadian dollars)

b) Other

- On 26 October 2017, the Company issued 9,944 common shares valued at $4,972 for marketing services (Note 14).

8.4 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the period ended 30 September 2018 and year ended 30 June 2018:

	30 September 2018		30 June 2018	
	Number of warrants	**Weighted-average exercise price**	Number of warrants	Weighted-average exercise price
		$		$
Outstanding, beginning of year	**-**	**-**	1,875,750	1.16
Granted	**1,025,000**	**0.16**	-	-
Exercised	**-**	**-**	-	-
Expired	**-**	**-**	(1,875,750)	1.16
Forfeited	**-**	**-**	-	-
Outstanding, end of period	**1,025,000**	**0.16**	-	-

8.5 Stock options

Effective 29 September 2016, the Company has adopted a stock option plan whereby it is authorized to grant options to executive officers and directors, employees and/or consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. The aggregate maximum number of common shares issuable under the plan is 934,847 common shares. The aggregate number of options granted to one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but shall not be less than the last closing price of the Company's common shares on the day before the date on which the Directors grant such options.

(Expressed in Canadian dollars)

The following is a summary of the changes in the Company's stock option activities for the period ended 30 September 2018 and year ended 30 June 2018:

	30 September 2018		30 June 2017	
	Number of options	**Weighted-average exercise price**	Number of options	Weighted-average exercise price
		$		$
Outstanding, beginning of year	**321,500**	**1.47**	332,750	1.46
Granted	**-**	**-**	-	-
Exercised	**-**	**-**	-	-
Expired	**-**	**-**	(11,250)	1.33
Cancelled	**-**	**-**	-	-
Outstanding, end of period	**321,500**	**1.47**	321,500	1.47

The following table summarizes information regarding stock options outstanding and exercisable as at 30 September 2018:

Exercise price	**Number of options outstanding**	**Number of options exercisable**	**Weighted-average remaining contractual life (years)**	**Weighted-average exercise price**
Options				
$0.66	172,500	172,500	2.53	$0.66
$1.60	9,000	9,000	0.83	$1.60
$2.40	97,500	97,500	2.78	$2.40
$2.60	42,500	42,500	2.76	$2.60
Total	**321,500**	**321,500**		

(Expressed in Canadian dollars)

8.6 SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $Nil was recognized in the period ended 30 September 2018 (2017: $142,393):

Grant date	Fair value	**Amount vested to 30 September 2018**	Amount vested to 30 September 2017
		$	$
1 April 2016	142,393	**-**	142,393
Total	142,393	**-**	142,393

9. INCOME (LOSS) PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Year ended 30 September	**2018**	2017
	$	$
Net loss for the period	**209,115**	80,108
Weighted average number of shares – basic and diluted	**4,745,509**	4,679,209
Income (loss) per share, basic and diluted	**(0.044)**	(0.017)

The basic income (loss) per share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the period. The diluted income (loss) per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants were anti-dilutive for the periods ended 30 September 2018 and 2017.

(Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS

10.1 Categories of financial instruments

	30 September 2018	30 June 2018
	$	$
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	**1,246,331**	1,328,995
Available-for-sale, at fair value		
Short term investments – shares	**-**	-
Total financial assets	**1,246,331**	1,328,995
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	**1,834**	464
Total financial liabilities	**1,834**	464

10.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the consolidated financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.

- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

(Expressed in Canadian dollars)

As at 30 September 2018 and year ended 30 June 2018, the Company does not have any Level 2 and 3 financial instruments.

As at 30 September 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Financial assets at fair value				
Cash and cash equivalents	**1,246,331**	**-**	**-**	**1,246,331**
Short term investments – shares	**-**	**-**	**-**	**-**
Total financial assets at fair value	**1,246,331**	**-**	**-**	**1,246,331**

As at 30 June 2018	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	1,328,995	-	-	1,328,995
Short term investments – shares	-	-	-	-
Total financial assets at fair value	1,328,995	-	-	1,328,995

There were no transfers between Level 1 and 2 and 3 in the period ended 30 September 2018 and year ended 30 June 2018.

10.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk and currency risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies and amounts receivable are due from the Government of Canada and financial institutions. As a result, the Company is not subject to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due (Note 1.1). The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no steady source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 30 September 2018, the Company had a working capital of $1,193,101 (30 June 2018: $1,319,314) (Note 1.1).

Interest rate risk

The Company's interest rate risk is primarily related to the Company's cash and cash equivalents for which amounts were invested at interest rates in effect at the time of investment. Changes in market interest rates affect the fair market value of the cash and cash equivalents. However, as these investments come to maturity within a short period of time, the impact would likely not be significant.

Currency Risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage and does not hold investments in equity instruments.

11. CAPITAL RISK MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements.

The Company is dependent on external financing to fund its activities. In order to carry out its planned business strategy, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

As at 30 September 2018, the Company's capital structure consists of the equity of the Company (Note 8). The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

(Expressed in Canadian dollars)

As at 30 September 2018, the Company's available capital resources, consisting of cash and cash equivalents, totaled $1,246,331 (30 June 2018: $1,328,995). As at 30 September 2018, the Company's total payables are $74,834 (30 June 2018: $25,464). The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future.

12. RELATED PARTY TRANSACTIONS

For the period ended 30 September 2018 and 2017, the Company had related party transactions with the following companies related by way of management, directors or shareholders in common:

- LiCo Energy Metals Inc., a company with management and directors in common with the Company. The Company provides office and consulting services to LiCo.
- TCF Ventures Corp., a company controlled by the Chief Operating Officer of the Company.

During the previous year ended 30 June 2018, the Company received $Nil in cash and 7,000,000 shares from LiCo Energy Metals Inc. in relation to option agreements for the Dixie Valley Project and Black Rock Desert Project (Notes 5, 6 and 14).

As at 30 September 2018, the Company had a balance of $8,602 (30 June 2018: $9,666) receivable from LiCo (Note 4).

12.1 Related party expenses

The Company's related party expenses are summarized as follows:

Period ended 30 September	**2018**	2017
	$	$
Shared office and administration recoveries from LiCo	**3,328**	1,403
Shared rent recoveries from LiCo	**4,864**	4,805
Consulting fees to the CFO	**10,500**	10,500
Consulting fees to the Corporate Secretary	**12,000**	12,000
Consulting fees to TCF Ventures Corp.	**12,000**	12,000
Total related party expenses	**42,692**	40,708

(Expressed in Canadian dollars)

13. KEY MANAGEMENT PERSONNEL COMPENSATION

The remuneration of directors and other members of key management for the periods ended 30 September 2018 and 2017 were as follows:

Period ended 30 September	**2018**	2017
	$	$
Short-term benefits – management and consulting fees	**34,500**	34,500
Share-based payments (Note 8.6)	**-**	-
Total key management personnel compensation	**34,500**	34,500

14. SUPPLEMENTAL CASH FLOW INFORMATION

14.1 Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

	30 September 2018	30 September 2017
	$	$
Interest paid (received)	-	-
Taxes paid	-	-
Total cash payments	-	-

During the previous year ended 30 June 2018, the Company issued 9,944 shares valued at $4,972 related to services (Note 8).

During the previous year ended 30 June 2018, the Company received 7,000,000 shares valued at $740,000 from related parties in relation to mineral property option agreements (Notes 5 and 6).

During the previous year ended 30 June 2018, the Company recorded an impairment of $258,549 related to exploration and evaluation properties (Note 6).

(Expressed in Canadian dollars)

15. COMMITMENTS AND CONTINGENCIES

As at 30 September 2018, the Company had the following commitments and contingent liabilities:

a) Effective 4 June 2018, the Company entered into an ongoing consulting agreement with a third party individual for $72,000 plus GST/HST per annum to provide executive assistance to the Company.

b) Effective 1 November 2015, the Company entered into a twelve month consulting agreement with a third party individual for $5,000 plus GST/HST per month to provide services in relation to business development. After the term of one year, the agreement will continue on a month to month basis.

c) Effective 1 September 2016, the Company entered into a twelve month consulting agreement with a company controlled by a related party for $4,000 plus GST/HST per month to provide consulting services for general and administrative tasks to the Company (Notes 12 and 13). Agreement is automatically renewable for additional annual terms.

d) Effective 1 September 2016, the Company entered into a twelve month consulting agreement with a related party for $3,000 plus GST/HST per month to provide CFO and accounting services to the Company (Notes 12 and 13). After the term of one year, the agreement will continue on a month to month basis.

e) Effective 1 September 2016, the Company entered into a twelve month consulting agreement with a related party for $4,000 plus GST/HST per month to provide Corporate Secretarial and Paralegal services to the Company (Notes 12 and 13). After the term of one year, the agreement will continue on a month to month basis.

f) Effective 1 June 2016, the Company entered into a rental agreement with an unrelated third party to lease office space for a term of three years. The Company has the following commitments relating to its operating lease:

	< 1 year	**2-5 years**	**> 5 years**	**Total**
	$	$	$	$
Rent	35,235	-	-	35,235

On 1 July 2016, the Company signed an agreement with LiCo to sublease out a portion of its office space on a month to month term (Note 12).

g) The Company's exploration and evaluation activities are subject to various Canadian federal and provincial laws and regulations governing the protection of the government. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

(Expressed in Canadian dollars)

h) As at 30 September 2018, the Company owns various exploration and evaluation properties (Note 6). Management does not consider that any amounts related to decommissioning liabilities are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these obligations in the future.

16. SEGMENTED INFORMATION

The Company's only business activity is exploration and development of exploration and evaluation properties. This activity is carried out in the USA.

The breakdown of geographic area for the period ended 30 September 2018 and year ended 30 June 2018 is as follows:

Period ended 30 September 2018	**Canada**	**USA**	**Total**
	$	**$**	**$**
Total income (expenses)	**110,114**	**351,271**	**461,385**
Current assets	**1,267,935**	**-**	**1,267,935**
Exploration and evaluation properties	**-**	**168,390**	**168,390**
Total assets	**1,267,935**	**168,390**	**1,436,326**

Year ended 30 June 2018	Canada	USA	Total
	$	$	$
Total income (expenses)	110,114	351,271	461,385
Current assets	1,344,778	-	1,344,778
Exploration and evaluation properties	-	131,292	131,292
Total assets	1,344,778	131,292	1,476,070

17. SUBSEQUENT EVENTS

b) There are no reportable subsequent event during the period.

18. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the year ended 30 September 2018 were approved and authorized for issue by the Board of Directors on 20 November 2018.