Financial Statements of

INOMIN MINES INC.

(An Exploration Stage Company)

YEARS ENDED MARCH 31, 2018 AND 2017

(Expressed in Canadian Dollars)

INDEX

WOLRIGE MAHON

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Inomin Mines Inc.

We have audited the accompanying financial statements of Inomin Mines Inc. which comprise the statements of financial position as at March 31, 2018 and 2017, and the statements of loss and comprehensive loss, statements of changes in equity and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Inomin Mines Inc. as at March 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 1 in the financial statements which indicates the existence of material uncertainties that may cast significant doubt about the ability of Inomin Mines Inc. to continue as a going concern.

Wolrige Mahon LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

July 27, 2018
Vancouver, B.C.

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INOMIN MINES INC.
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31

		2018		2017
ASSETS				
Current				
Cash and cash equivalents	$	255,473	$	436,205
Goods and services tax receivable		5,315		-
Temporary investment (Notes 5 and 12)		-		22,500
		260,788		458,705
Exploration and evaluation assets (Note 6)		285,874		220,562
	$	546,662	$	679,267
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 8)	$	74,182	$	119,359
SHAREHOLDERS' EQUITY				
Share capital (Note 7)		1,066,034		1,013,846
Shares to be issued (Notes 6 and 13(c))		27,000		-
Reserve (Note 7)		85,448		52,459
Deficit		(706,002)		(506,397)
		472,480		559,908
	$	546,662	$	679,267

Nature of operations and going concern (Note 1)
Significant event (Note 12)
Subsequent events (Note 13)

Approved and authorized by the Board on July 24, 2018

On behalf of the Board:

"Evilio Gomez-Garcia" Director "*George Pietrobon*" Director

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

INOMIN MINES INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED MARCH 31, 2018 AND 2017

		2018		2017
EXPENSES				
Asset evaluation	$	23,531	$	-
Filing fees		15,964		13,077
Interest and bank charges		(713)		172
Investor communications		2,980		1,988
Listing fees		6,265		21,215
Management fees (Note 8)		72,000		-
Office costs		2,723		4,805
Professional fees		21,366		72,056
Share-based compensation (Notes 7c)(ii) and 8)		32,989		-
Technical report		-		15,718
		177,105		129,031
Gain (loss) on temporary investment (Notes 5 and 12)		(22,500)		7,500
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	$	(199,605)	$	(121,531)
LOSS PER COMMON SHARE				
Basic and diluted	$	(0.013)	$	(0.020)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
Basic and diluted		15,583,671		6,224,273

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

INOMIN MINES INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED MARCH 31, 2018 AND 2017

	Number of Shares	Share Capital	Shares to be issued	Reserve	Deficit	Total
Balance at March 31, 2016	4,864,800	$ 275,046	$ -	$ 49,420	$ (384,866)	$ (60,400)
Property acquisition	2,750,000	192,500	-	-	-	192,500
Private placement	7,903,459	553,242	-	-	-	553,242
Share issue costs - cash	-	(3,903)	-	-	-	(3,903)
Share issue costs – warrants	-	(3,039)	-	3,039	-	-
Loss and comprehensive loss for the year	-	-	-	-	(121,531)	(121,531)
Balance at March 31, 2017	15,518,259	$ 1,013,846	$ -	$ 52,459	$ (506,397)	$ 559,908
Deposit for property acquisition	-	-	27,000	-	-	27,000
Share-based compensation	-	-	-	32,989	-	32,989
Shares issued upon exercise of warrants	521,880	52,188	-	-	-	52,188
Loss and comprehensive loss for the year	-	-	-	-	(199,605)	(199,605)
Balance at March 31, 2018	16,040,139	$ 1,066,034	$ 27,000	$ 85,448	$ (706,002)	$ 472,480

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

INOMIN MINES INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2018 AND 2017

		2018		2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the year	$	(199,605)	$	(121,531)
Items not involving cash:				
(Gain) loss on temporary investment		22,500		(7,500)
Share-based compensation		32,989		-
Changes in non-cash working capital items:				
Increase in goods and services tax receivable		(5,315)		-
Decrease in accounts payable and accrued liabilities		(54,177)		(35,519)
Net cash used in operating activities	$	(203,608)	$	(164,550)
CASH FLOWS FROM INVESTING ACTIVITIES				
Exploration costs	$	(28,312)	$	(28,062)
Property acquisition		(1,000)		-
Net cash used in investing activities	$	(29,312)	$	(28,062)
CASH FLOWS FROM FINANCING ACTIVITIES				
Shares issued in private placement	$	-	$	553,242
Share issue costs		-		(3,903)
Shares issued upon exercise of warrants		52,188		-
Net cash provided by financing activities	$	52,188	$	549,339
CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR	$	(180,732)	$	356,727
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	$	436,205	$	79,478
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$	255,473	$	436,205
Cash and cash equivalents consist of				
Cash	$	105,473	$	436,205
Liquid short term investments		150,000		-
	$	255,473	$	436,205

Supplemental cash flow information (Note 9)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Inomin Mines Inc. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on August 23, 2012 and is an exploration stage public company whose shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "MINE". The Company's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein.

At the date of these financial statements, the Company has not been able to identify a known body of commercial grade ore on its exploration and evaluation assets. The ability of the Company to realize the costs it has incurred to date on these exploration and evaluation assets is dependent upon the Company being able to identify a commercial ore body, to finance its exploration costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the exploration and evaluation assets. To date, the Company has not earned revenues and is considered to be in the exploration stage.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. The Company is pursuing such additional sources of the financing estimated to be required to sufficiently support its operations until such time that its operations become self-sustaining. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

The Company's registered office is Suite 1800 - 510 West Georgia Street, Vancouver, British Columbia, Canada.

2. BASIS OF PRESENTATION

Statement of Compliance

These financial statements are prepared in accordance 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").

Basis of Measurement

These financial statements have been prepared on a historical costs basis, except for certain financial instruments that are measured at fair values. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These financial statements are presented in Canadian dollars, which is also the Company's functional currency.

2. BASIS OF PRESENTATION (cont'd)

Critical estimates and judgements

The preparation of these financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ significantly from these estimates.

Critical judgements

Significant judgements made by management affecting the financial statements include:

Going concern

The preparation of these financial statements requires management to make judgements regarding the ability of the Company to continue as a going concern as previously discussed in Note 1.

Recovery of deferred tax assets

Judgement is required in determining whether deferred tax assets are recognized in 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.

Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Key sources of estimation uncertainty

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant estimates made by management affecting the financial statements include:

Share-based payments and share issue costs

Estimating fair value for granted stock options and warrants requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model, including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

3. SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

The Company considers all highly liquid instruments that are readily convertible into known amounts of cash to be cash equivalents.

Financial instruments

Financial assets

Financial assets are classified into one of the following categories: at fair value through profit or loss, loans and receivables, available-for-sale, or held-to-maturity investments. The classification depends on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. Management determines the classification of its financial assets at initial recognition. The Company's accounting policy for each category held as at year end is as follows:

(i) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term and is classified as a current asset

(ii) Loans and receivables
These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset, or, where appropriate, a shorter period. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. The reversal of the previously recognized impairment loss is recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments (cont'd)

Financial liabilities

Financial liabilities are classified into one of the following categories: fair value through profit or loss or other liabilities. The Company's accounting policy for each category held as at year end is as follows:

(i) Other financial liabilities
These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instruments and subsequently carried at amortized cost using the effective interest rate method.

See also Note 5 – Financial Instruments and Risks.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date and which are expected to be applicable in the period(s) in which realization or settlement of the carrying amount of assets and liabilities is expected to occur.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Share capital

Common shares are classified as equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the transaction is approved.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Share issue costs

Costs directly identifiable with the raising of capital are charged against the related share capital, net of any tax effects. Costs related to shares not yet issued are recorded as deferred financing costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs are charged against the related share capital or charged to operations if the shares are not issued.

The Company may issue compensatory warrants to brokers and agents, from time to time. The fair value of the warrants is determined using the Black-Scholes model, and is recognized over the vesting period as share issuance costs, in the equity reserve account, with a corresponding amount charged against share capital.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measured component.

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and the shares issued were valued at their fair value, as determined by the closing quoted bid price on the issuance date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to warrants is recorded as a warrant reserve.

Share-based compensation

The Company grants stock options to buy common shares of the Company to directors and officers. The Company may also issue stock options to agents as finders' fees. The Company recognizes share-based compensation expense based on the estimated fair value of the options at grant. A fair value measurement is made for each vesting instalment within each option grant and is determined using the Black-Scholes option-pricing model. The fair value of the options is recognized over the vesting period of the options granted as share-based compensation expense, with a corresponding amount recognized in reserve within equity. The fair value includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserve is subsequently reduced if the options are exercised and the amount initially recorded is then reclassified/transferred to share capital.

In situations where equity instruments are issued to non-employees and the fair value of some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, these share-based payments are measured at the fair value of goods or services received.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributed to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is not adjusted for potential common shares outstanding when the effect is anti-dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, exercise significant influence over the other party in making financial and operating decisions, or is a member of the key management personnel. 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.

Exploration and evaluation assets

Pre-exploration costs are expensed in the year in which they are incurred. Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration, and evaluation are recognized and capitalized by property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors, and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of operations. The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction." Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The rehabilitation costs are depreciated on the same basis as the mining assets. Changes in the present value, excluding changes in the Company's estimates of reclamation costs, are charged to the statement of loss and comprehensive loss for the period.

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 assets with a corresponding adjustment to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

The Company had no environmental rehabilitation obligations for the years presented.

4. RECENT ACCOUNTING PRONOUNCEMENTS

The following are new and revised accounting pronouncements that have been issued but are not yet effective and which are expected to be applicable to the Company. The Company has not early adopted any of these standards:

IFRS 9 Financial Instruments (effective for years beginning on or after January 1, 2018)

In November 2009, the IASB issued, and subsequently revised in October 2010, IFRS 9 - Financial Instruments as a first phase in its ongoing project to replace IAS 39.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The standard also adds guidance on the classification and measurement of financial liabilities.

The Company has determined that adopting IFRS 9 will not have a significant impact on the Company's financial statements.

5. FINANCIAL INSTRUMENTS AND RISKS

Classification of financial instruments

The Company's financial instruments consist of cash and cash equivalents, temporary investment and accounts payable and accrued liabilities. The Company designated its cash and cash equivalents as loans and receivables, which are measured at amortized cost. The Company's temporary investment is classified as at fair value through profit and loss. The accounts payable and accrued liabilities are designated as other financial liabilities, which are measured at amortized cost.

The carrying values of cash and cash equivalents and accounts payable and accrued liabilities as at March 31, 2018 approximate their fair value due to their short term nature.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly;
Level 3 – Inputs that are not observable for the asset or liability.

As at March 31, 2017, the fair value of the temporary investment was based on level 1 financial instrument. As the value of the shares of Canada Jetlines Ltd. ("Jetlines") did not exceed the exercise price, the warrants expired unexercised on September 30, 2017.

5. FINANCIAL INSTRUMENTS AND RISKS (cont'd)

Risk management

The Company has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. Management, the Board of Directors and the Audit Committee monitor risk management activities and review the adequacy of such activities.

Credit risk:
Credit risk is the risk of potential loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying value of its financial instruments shown on the statement of financial position and arises from the Company's cash, which is held with high credit quality financial institutions.

Market risk:
Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of currency risk, interest rate risk and other price risk. The Company is not exposed to any significant market risk.

Liquidity risk:
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can only do at excessive cost. As at March 31, 2018, the Company has cash and cash equivalents of $255,473 to settle liabilities of $74,182 which are subject to normal trade terms. The Company has sufficient working capital to meet its ongoing financial obligations for the coming year.

6. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing.

(i) Acquisition of King's Point Property

On August 12, 2016, Inomin Mines Inc. signed a definitive agreement to acquire 100% of the King's Point Property in the Green Bay area of Newfoundland (the "Property") for a one-time payment of 2,750,000 escrowed common shares of Inomin at $0.07 per share and a 2.5% net smelter royalty ("NSR") in favour of the vendor, of which 1.5% of the NSR is purchasable by Inomin for $1 million.

The property is comprised of 129 claims covering 3,225 hectares within two separate blocks.

The acquisition of the King's Point Property received final TSX-V acceptance and closed effective January 20, 2017. On January 31, 2017 the Company also entered into an Operator Agreement with the vendor to operate exploration and mining programs under the Company's direction and at its discretion on the King's Point Property for a period of 2 years. Pursuant to the Operator Agreement, the Company will pay a management fee to the operator equal to 10% of all exploration expenditures defined under the terms of the agreement except for contracts in excess of $100,000, for which a management fee of 5% will be paid.

6. EXPLORATION AND EVALUATION ASSETS (cont'd)

Balance, March 31, 2016	$	-
Acquisition costs (Note 7(b)(i))		192,500
Exploration costs		28,062
Balance, March 31, 2017	$	220,562
Exploration costs		28,312
Balance, March 31, 2018	$	248,874

Subsequent to year-end, the Company entered into an agreement to option its 100% owned King's Point Property to Maritime Resources Corp. (see Subsequent note 13(a))

(ii) Acquisition of Fleetwood Property

On March 28, 2018, the Company entered into an agreement to acquire 100% interest in the Fleetwood zinc-copper-silver-gold property located in the New Westminster mining division of south-western British Columbia for the aggregate consideration of $37,000 (the "Fleetwood Agreement") comprising:

- $10,000 cash:
  - $1,000 to be paid on or before March 30, 2018 (paid); and
  - $9,000 to be paid upon receipt of TSX-V approval (approval was obtained subsequent to year end, see note 13(c))
- 200,000 of the Company's common shares to be issued upon receipt of TSX-V approval (approval was obtained subsequent to year end, see note 13(c))

Balance, March 31, 2016 and 2017	$	-
Deposit for acquisition costs (see Subsequent events note 13(c))		37,000
Balance, March 31, 2018	$	37,000

Total Exploration and Evaluation Assets as at March 31, 2017	$	220,562
Total Exploration and Evaluation Assets as at March 31, 2018	$	285,874

7. SHARE CAPITAL

(a) The authorized share capital of the Company consists of an unlimited number of common shares without par value.

(b) Issued and Outstanding

During the year ended March 31, 2017

(i) Acquisition of King's Point Property

2,750,000 escrowed common shares were issued at $0.07 per share (See Note 6(i)).

7. SHARE CAPITAL (cont'd)

(ii) Private Placement Financing

On January 20, 2017, in accordance with the policies of the TSX-V, the Company arranged a Non-brokered Private Placement Financing consisting of 7,903,459 Units of the Company at a price of $0.07 per unit, for gross proceeds of $553,242 (the "Financing"). The Financing closed concurrent with and to provide funding for the Company's acquisition of a 100% interest in the King's Point property in Newfoundland (the "Property"), which constituted the Company's Qualifying Transaction ("QT") under the rules of the TSX-V respecting Capital Pool Companies.

Each Unit of the financing consists of one common share and one non-transferable warrant. Each warrant entitles the holder to purchase one additional share at a price of $0.10 for a period of 2 years ending January 30, 2019. All securities issued under the placement are subject to a hold period of 4 months ending May 31, 2017. Finder's fees paid under the financing consist of $3,903 in cash and the issuance of 55,760 warrants exercisable at $0.10 for two years, which were valued at $3,039 using the Black-Sholes model. Assumptions were used: share price - $0.07, exercise price - $0.10, expected life - 2 years, annual historical volatility - 186%, dividend rate - 0%, risk free rate - 0.77%.

During the year ended March 31, 2018

(iii) Exercise of Warrants

During the year ended March 31, 2018, 521,880 common shares were issued upon the exercise of 521,880 warrants. Warrants were exercised at $0.10 per common share for total proceeds of $52,188. Warrants were exercised during a period when the Company's average market price was $0.14 per common share.

(iv) Escrow Shares

Total shares held in escrow as at March 31, 2018 are 3,030,000 shares (2017 – 4,545,000). Escrow shares are to be released as follows:

- 10% with completion of the Company's QT on January 20, 2017 (completed); and
- 15% on each of the 6th, 12th, 18th, 24th, 30th and 36th months following the closing date of the QT.

c) Stock Options

The Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to Directors, Officers, and technical consultants of the Company, non-transferable options to purchase common shares exercisable for a period of up to 5 years from the date of grant, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares.

7. SHARE CAPITAL (cont'd)

(i) In connection with the Initial Public Offering ("IPO"), the Company granted 480,000 options to certain directors and officers of the Company. Each option entitles the holder to acquire one common share at an exercise price of $0.10 per common share for a period of 5 years, expiring December 18, 2018.

(ii) On April 18, 2017, the Company granted 700,000 stock options to Directors and Officers of the Company. Each option entitles the holder to acquire one common share at an exercise price of $0.10 per common share for a period of 5 years, expiring on April 18, 2022. Total compensation was valued at $32,989 using the Black Scholes model. The following assumptions were used: share price - $0.06, exercise price - $0.10, expected life – 5 years, annual historical volatility – 122.21%, dividend rate – 0%, risk free rate – 0.98%.

The following table summarizes the continuity of stock options:

	Number of options	Weighted average exercise price
Outstanding and exercisable, March 31, 2016	480,000	$ 0.10
Outstanding and exercisable, March 31, 2017	480,000	0.10
Granted	700,000	0.10
Cancelled	(176,000)	(0.10)
Outstanding and exercisable, March 31, 2018	1,004,000	$ 0.10

As at March 31, 2018, the following stock options were outstanding and exercisable:

Expiry date	Number of options	Exercise price	Remaining contractual life (years)
December 18, 2018	384,000	$ 0.10	0.72
April 18, 2022	620,000	$ 0.10	4.05
	1,004,000		

d) Warrants

The following table summarizes the continuity of the Company's warrants, as described in (b)(iii), expiring on January 30, 2019:

	Number of warrants	Weighted average exercise price
Outstanding and exercisable, March 31, 2016	-	$ -
Issued	7,959,219	0.10
Outstanding and exercisable, March 31, 2017	7,959,219	0.10
Exercised	(521,880)	(0.10)
Outstanding and exercisable, March 31, 2018	7,437,339	$ 0.10

7. SHARE CAPITAL (cont'd)

As at March 31, 2018, the following warrants were outstanding and exercisable

Expiry date	Number of options	Exercise price	Remaining contractual life (years)
January 20, 2019	7,437,339	$ 0.10	0.81

f) Reserve

The reserve of $85,448 (2017 - $52,459) comprises the grant date fair value of options issued to Directors of $35,915 in prior years, the grant date fair value of options issued to agents of $13,505, the grant date fair value of warrants issued as finders' fees of $3,039 and the grant date fair value of options issued to Directors in the current year of $32,989.

8. RELATED PARTY TRANSACTIONS

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and Corporate Officers.

Total key management personnel compensation for the years ended March 31, 2018 and 2017 were as follows:

	2018	2017
Share-based compensation (a)	$ 32,989	$ -
Management fees (b)	72,000	-
Total	$ 104,989	$ -

a) Share-based compensation represents the fair value of options granted to key management personnel.

b) The Company provides compensation to its Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Corporate Secretary, or companies controlled by each of them, in the amount of monthly fees of $3,000 for the CEO, $2,000 for the CFO and $1,000 for the Corporate Secretary which commenced April 1, 2017.

The balances due to the Company's current directors and officer included in accounts payables and accrued liabilities was $6,250 as at March 31, 2018 (2017 – Nil). These amounts are unsecured, non-interest bearing and payable on demand.

9. SUPPLEMENTAL CASH FLOW INFORMATION

There was no cash paid for interest or income taxes for the years ended March 31, 2018 and 2017.

During the year ended March 31, 2017, the Company acquired the King's Point Property for $192,500 by issuing 2,750,000 escrowed common shares of the Company at $0.07 per share – See Notes 6(i) and 7(b)(i).

During the year ended March 31, 2017, the Company issued 55,760 broker warrants with an aggregate fair value of $3,039 in connection with the private placement financing – see Note 7(b)(ii).

As at March 31, 2018, $9,000 was included in accounts payable and accrued liabilities for exploration and evaluation assets (see note 6(ii)).

During the year ended March 31, 2018, the Company recorded shares to be issued in the amount of $27,000 as a deposit for acquisition costs on the Fleetwood property (see note 6(ii)).

10. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above internally determined capital guidelines and calculated risk management levels.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company is not subject to any externally-imposed capital requirements.

11. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2018		2017
Loss and comprehensive loss for the year	$	(199,605)	$	(121,531)
Statutory income tax rate		26%		26%
Expected income tax (recovery)	$	(51,897)	$	(31,598)
Permanent Differences		12,252		598
Change in statutory rates and other		(2,905)		-
Changes in estimates		46,550		-
Change in unrecognized deductible temporary differences		(4,000)		31,000
Total income tax expense (recovery)	$	-	$	-

The significant components of the Company's unrecognized deferred tax assets are as follows:

		2018		2017
Deferred tax assets (liabilities)				
Share issue costs	$	1,000	$	6,000
Non-capital losses available for future period		191,000		138,000
Exploration and evaluation assets		(52,000)		-
		140,000		144,000
Unrecognized deferred tax assets		(140,000)		(144,000)
Net deferred tax assets	$	-	$	-

The Company has available for deduction against future taxable income non-capital losses of approximately $708,100 which will expire between 2033 and 2038 and share issue costs of approximately $4,200 which will expire between 2019 and 2021.

Non capital losses expire as follows:

$ 14,900	2033
55,600	2034
269,800	2035
58,400	2036
146,400	2037
163,000	2038
$ 708,100	

Tax attributes are subject to review, and potential adjustment, by tax authorities.

12. SIGNIFICANT EVENT

Settlement of Litigation

On September 30, 2015, the Company and Jetlines completed their litigation settlement agreement whereby Jetlines settled the refundable deposit in full by paying the Company $105,000 and issuing 300,000 warrants entitling the Company to purchase 300,000 Jetlines common shares at price of $0.333 per share for a period of two years ending September 30, 2017. On September 30, 2017, the warrants expired unexercised and a loss on investment of $22,500 was recorded to loss and comprehensive loss for the year.

13. SUBSEQUENT EVENTS

a) Subsequent to year-end, the Company entered into an agreement to option its 100% owned King's Point Property in Newfoundland to Maritime Resources Corp. ("Maritime").

Under the terms of the Option Agreement, Maritime can earn a 100% interest in King's Point over three years by spending $600,000 in exploration, cash payments of $300,000 to the Company, and issuing 2,000,000 Maritime common shares to the Company, in accordance with the following schedule.

Date for Completion	Payment	Common Shares to be Issued	Expenditures (cumulative)
On signing Option Agreement	$ 25,000	-	-
Three (3) business days following Approval Date	-	500,000	-
1st anniversary of Approval Date	$ 50,000	500,000	$ 75,000
2nd anniversary of Approval Date	$ 100,000	500,000	$ 150,000
3rd anniversary of Approval Date	$ 125,000	500,000	$ 375,000
Total	$ 300,000	2,000,000	$ 600,000

The Project has a 1% NSR which can be purchased from the Company for $500,000, and an underlying NSR of 2.5% of which 1.5% can be purchased for $1,000,000.

The Option Agreement is subject to approval by the shareholders of the Company and the TSX-V.

b) Subsequent to year-end, the Company entered into a Debt Settlement Agreement with its legal counsel, to settle $41,295 of payables owed for legal services by issuing 344,125 common shares at a deemed price of $0.12 per share.

c) Subsequent to year-end, the Company obtained TSX-V approval for the Fleetwood Agreement described in note 6(ii) and issued 200,000 common shares valued at $27,000 and paid an additional $9,000 cash.

d) Subsequent to year-end, the Company granted 400,000 stock options to Directors and Officers of the Company. Each option entitles the holder to acquire one common share at an exercise price of $0.10 per common share for a period of 5 years, expiring on June 28, 2023.