92 RESOURCES CORP.
Consolidated Financial Statements
March 31, 2019 and 2018
(Expressed in Canadian dollars)

MANNING ELLIOTT
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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of 92 Resources Corp.

Opinion

We have audited the consolidated financial statements of 92 Resources Corp. and its subsidiary (the "Company") which comprise the consolidated statements of financial position as at March 31, 2019 and 2018, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which indicates that the Company incurred a net loss of $1,012,368 for the year ended March 31, 2019 and, as of that date, the Company had an accumulated deficit of $7,583,747. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audits. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audits resulting in this independent auditors' report is Fernando J. Costa.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
July 24, 2019

92 RESOURCES CORP.

Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	As at March 31, 2019 $	As at March 31, 2018 $
ASSETS			
Current assets			
Cash and cash equivalents	4	**698,446**	1,122,915
Amounts receivable	5	**7,258**	37,296
Prepaid expenses	6	**91,067**	213,494
Investment	7	**-**	238,888
		796,771	1,612,593
Exploration and evaluation properties	8	**2,279,263**	1,643,307
Total assets		**3,076,034**	3,255,900
SHAREHOLDERS' EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	9	**71,086**	235,781
Flow-through premium liability	17	**226,391**	2,731
Total liabilities		**297,477**	238,512
Shareholders' equity			
Share capital	10	**9,359,987**	8,717,774
Reserves	10	**1,002,317**	859,882
Accumulated other comprehensive income	7	**-**	11,111
Deficit		**(7,583,747)**	(6,571,379)
Total equity		**2,778,557**	3,017,388
Total shareholders' equity and liabilities		**3,076,034**	3,255,900

Corporate Information and Going Concern (Note 1), Commitments (Note 16), and Events after the Reporting Period (Note 19)

APPROVED ON BEHALF OF THE BOARD:

"Adrian Lamoureux"
Director

"Paul Chung"
Director

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

92 RESOURCES CORP.

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Notes	Year ended March 31, 2019 $	2018 $
Expenses			
Advertising		**104,620**	110,489
Bank and interest charges		**1,465**	831
Consulting	14	**367,048**	287,770
Donation		**-**	590
Investor communications		**9,676**	5,544
Management and administration fees	14	**157,826**	197,608
Meals and entertainment		**6,481**	8,365
Office and miscellaneous		**5,386**	11,985
Professional fees		**65,527**	57,628
Rent and property taxes		**13,659**	12,176
Share-based payments	12, 14	**93,038**	220,370
Transfer agent and filing fees		**44,566**	60,701
Travel		**18,724**	14,477
Net loss for the year before other items		**(888,016)**	(988,534)
Other items			
Other income, net	17	**23,540**	22,136
Interest income		**4,094**	1,708
Realized loss on sale of investment	7	**(163,097)**	-
Reclassification at sale of investment	7	**11,111**	-
Net loss for the year		**(1,012,368)**	(964,690)
Other comprehensive income			
Items that may be subsequently reclassified to income or loss			
Unrealized gain on investments	7	**-**	11,111
Net loss and comprehensive loss for the year		**(1,012,368)**	(953,579)
Loss per common share			
Basic and diluted	11	**(0.01)**	(0.02)

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

92 RESOURCES CORP.

Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

	Year ended March 31,	
	2019	2018
	$	$
OPERATING ACTIVITIES		
Net loss for the year	**(1,012,368)**	(964,690)
Adjustments for:		
Interest income accruals	**(116)**	(1,307)
Other income	**(23,540)**	(22,136)
Share based payment	**93,038**	220,370
Realized loss on sales of investment	**163,097**	-
Reclassification at sale of investment	**(11,111)**	-
Changes in non-cash working capital items		
Decrease (Increase) in amounts receivable	**30,155**	(20,628)
Increase (Decrease) in trade payables and accrued liabilities	**(164,696)**	3,018
Increase (Decrease) in prepaid expenses	**122,427**	(159,881)
Cash used in operating activities	**(803,114)**	(945,254)
INVESTING ACTIVITIES		
Government grants received (repaid)	**(81,590)**	119,000
Cash received for Hidden Lake property	**-**	50,000
Cash received for sale of investment	**75,791**	-
Exploration and evaluation property expenditures	**(411,866)**	(453,433)
Cash used in investing activities	**(417,665)**	(284,433)
FINANCING ACTIVITIES		
Proceeds from issuance of common shares	**835,750**	1,405,375
Share issue costs	**(39,440)**	(16,400)
Cash provided by financing activities	**796,310**	1,388,975
Change in cash and cash equivalents	**(424,469)**	159,288
Cash and cash equivalents, beginning of year	**1,122,915**	963,627
Cash and cash equivalents, end of year	**698,446**	1,122,915

Supplemental cash flow information (Note 15)

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

92 RESOURCES CORP.

Consolidated Statements of Changes in Equity
For the Years Ended March 31, 2019 and 2019
(Expressed in Canadian dollars)

	Number of shares	Share capital $	Reserves $	Accumulated other comprehensive income $	Deficit $	Total $
Balances, March 31, 2017	53,874,956	7,009,690	622,041	-	(5,606,689)	2,025,042
Shares issued for:						-
Cash	11,410,000	1,141,000	-	-	-	1,141,000
Stock options exercised	1,535,000	297,143	(139,643)	-	-	157,500
Warrants exercised	772,500	107,944	(1,069)	-	-	106,875
Exploration and evaluation properties	2,000,000	190,000	-	-	-	190,000
Share issue costs - cash	-	(16,400)	-	-	-	(16,400)
Share issue costs - agent warrants	-	(11,603)	11,603	-	-	-
Share-based payments	-	-	220,370	-	-	220,370
Warrants for exploration and evaluation properties	-	-	146,580	-	-	146,580
Net loss for the year	-	-	-	-	(964,690)	(964,690)
Comprehensive income for the year	-	-	-	11,111	-	11,111
Balances, March 31, 2018	69,592,456	8,717,774	859,882	11,111	(6,571,379)	3,017,388
Shares issued for mineral properties	2,500,000	142,500	-	-	-	142,500
Shares issued for cash	15,710,000	555,050	33,500	-	-	588,550
Share issuance costs	-	(55,337)	15,897	-	-	(39,440)
Share-based payments	-	-	93,038	-	-	93,038
Reclassification on the sale of securities	-	-	-	(11,111)	11,111	-
Net loss and comprehensive loss for the year	-	-	-	-	(1,023,479)	(1,023,479)
Balances, March 31, 2019	**87,802,456**	**9,359,987**	**1,002,317**	**-**	**(7,583,747)**	**2,778,557**

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

1. CORPORATE INFORMATION

92 Resources Corp. (the "Company") was incorporated on May 10, 2007 under the British Columbia Business Corporations Act. On September 10, 2012, the Company incorporated a wholly owned subsidiary, Petro Grande Energy Inc. The principal business of the Company is the identification, evaluation and acquisition of exploration and evaluation properties, as well as exploration of those properties once acquired. The Company is domiciled in Canada and is a reporting issuer with its common shares publicly traded on the TSX Venture Exchange (the "TSXV"). The address of its head office is Suite 500, 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 3P6.

Effective June 10, 2014, the Company changed its name from "Rio Grande Mining Corp." to "92 Resources Corp." and its stock symbol to "NTY".

As at March 31, 2019, the Company has not yet determined whether the properties contained ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

For the year ended March 31, 2019, the Company incurred a net loss of $1,012,368 (March 31, 2018 - $964,690). As at March 31, 2019, it had an accumulated deficit of $7,583,747 (March 31, 2018 - $6,571,379), which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values are dependent upon obtaining additional financing sufficient to cover its operating costs.

Although management is currently seeking additional sources of equity or debt financing, there is no assurance these activities will be successful. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements (the "Financial Statements") do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying Financial Statements.

2. BASIS OF PREPARATION

2.1 Basis of presentation

These Financial Statements include the accounts of the Company and its wholly owned subsidiary, Petro Grande Energy Inc. All material inter-company balances and transactions have been eliminated upon consolidation.

The Company's 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 13, and are presented in Canadian dollars except where otherwise indicated.

The functional currency of the Company and its wholly owned subsidiary is the Canadian dollar.

2.2 Statement of compliance

The Financial Statements of the Company have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB").

These Financial Statements were approved and authorized for issue in accordance with a resolution from the Board of Directors on July 24, 2019.

2.3 Adoption of new and revised standards and interpretations

The IASB issued a number of new and revised IASs, International Financial Reporting Standards ("IFRS"), amendments and related IFRICs which are effective for the Company's financial year beginning on April 1, 2018. The Company has adopted all the following new standards relevant to the Company for the year ended March 31, 2019.

- IAS 28 *'Investments in Associates and Joint Ventures'* is an amendment to sale or contribution of assets between an investor and its associate or joint venture. The amendment is applicable for annual periods beginning on or after a date to be determined by IASB. Earlier application is permitted. As part of the annual improvements 2014 - 2016 cycle, this standard was amended to clarify whether an entity has an investment-by-investment choice for measuring investees at fair value in accordance with IAS 28 by a venture capital organization, or a mutual fund, unit trust or similar entities including investment linked insurance funds. The latter amendment is applicable for annual periods beginning on or after January 1, 2018.

- IFRS 2, *'Share-based payment'* issued in June 2016, is amended to provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a "net settlement" for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendment is applicable for annual periods beginning on or after January 1, 2018.

- IFRS 9 '*Financial Instruments: Classification and Measurement'* is a new financial instruments standard that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. Transitional provisions have been applied including assessing the reclassification of the financial assets and applying that classification retrospectively.

  The Company has retrospectively and irrevocably elected at the time of initial recognition to account for equity investments at fair value through other comprehensive income ("FVOCI") effective January 1, 2018 on the basis that this classification reflects the principal nature of the investments. As a result, there was no impact on the financial position and financial performance of the Company in the prior or current period, other than a reclassification from current to non-current on the statement of financial position.

- IFRS 7 – *'Financial instruments: Disclosure'* was amended to require additional disclosures on transition from IAS 39 to IFRS 9. The standard is effective on adoption of IFRS 9, which is effective for annual periods commencing on or after January 1, 2018.

The adoption of the above standards did not have a material impact on the Company's Financial Statements.

The IASB and IFRIC have issued the following new and revised standards and amendments, which are not yet effective for the period ended March 31, 2019.

- IFRS 10 *'Consolidated Financial Statements'* amendments relate to sale or contribution of assets between and investor and its associate or joint venture and are applicable for annual periods beginning on or after a date to be determined by the IASB. Earlier application is permitted if disclosed.

- IFRS 16 – *'Leases'* was issued on January 13, 2016, and will be effective for accounting periods beginning on or after January 1, 2019. Early adoption is permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting.

- IFRIC 23 'Uncertainty over Income Tax Treatments' is interpretation that clarifies how to apply the recognition and measurement requirements in IAS 12 'Income Taxes' when there is uncertainty over tax treatments. The effective date for IFRIC 23 is for annual periods beginning on or after January 1, 2019.

The Company has not early adopted these standards and amendments and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of these Financial Statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These Financial Statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the Financial Statements and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting estimates

i. the inputs used in accounting for share-based payment expense in profit or loss;

ii. the assessment of indications of impairment of exploration and evaluation properties and related determination of net realizable values and write-down of the properties where applicable;

iii. the amount of decommissioning liabilities at year end;

iv. expected future tax rates used in the deferred income tax disclosures.

Critical accounting judgments

i. the determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management;

ii. the determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets; and

iii. the determination of the Company’s ability to continue as a going concern.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash and liquid investments, which are readily convertible into cash with maturities of three months or less when purchased. The Company's cash and cash equivalents are invested with major financial institutions and are not invested in any asset-backed deposits or investments.

3.3 Exploration and evaluation properties

All costs related to the acquisition, exploration and development of exploration and evaluation properties ("E&E assets") are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units of production method over estimated recoverable reserves. Management annually assesses carrying values of properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if (1) the property has been abandoned; (2) there are unfavorable changes in the property economics; (3) there are restrictions on development; or (4) when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of exploration and evaluation properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future exploration and evaluation properties contain economically recoverable reserves. Amounts capitalized to exploration and evaluation properties as exploration and development costs do not necessarily reflect present or future values. When options are granted on exploration and evaluation properties or when properties are sold, proceeds are credited to the cost of the property.

If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

Government grants related to exploration and evaluation properties

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions and requirements of the approved grant program and there is reasonable assurance that the grant will be received. Government grants are recorded as a reduction of carrying value of the exploration and evaluation properties acquired and shall be amortized to profit or loss as a reduced depreciation expense.

3.4 Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. 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 year-end, adjusted for amendments to tax payable with regards to previous years.

Taxes on income in the periods are accrued using the tax rate that would be applicable to expected total annual earnings. The tax rate used is the rate that is enacted or substantively enacted.

Deferred tax is provided 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 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 financial position reporting date applicable to the period of expected realization or settlement.

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.

3.5 Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of an exploration and evaluation property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

3.6 Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the 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 amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payment reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payment reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

3.7 Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the year. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

3.8 Share issue costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

3.9 Warrants issued in equity financing

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants.

Depending on the terms and conditions of each financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are accounted for using the residual method, following an allocation of the unit price to the fair value of the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

3.10 Flow-through shares

Current Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. The issue of flow-through shares is in substance an issue of ordinary shares and the sale of tax deductions. At the time the Company issues flow-through shares, the sale of tax deductions is deferred and presented as other liabilities in the statement of financial position to recognize the obligation to incur and renounce eligible resource exploration and evaluation expenditures. The tax deduction is measured as the difference between the current market price of the Company's common shares and the issue price of the flow-through share. Upon incurring and renouncing eligible resource exploration and evaluation expenditures, the Company recognizes the sale of tax deductions as a tax deduction recovery on the statement of comprehensive loss and reduces the other liability.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

3.11 Impairment of non-financial assets

At the end of each reporting period, the Company assesses each cash-generating unit to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

When impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3.12 Financial assets

At initial recognition, financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). Financial assets are recognized initially at fair value, unless they are trade receivables that do not contain a significant financing component in accordance with IFRS 15, which shall be measured at their transaction price. The subsequent measurement of financial assets depends on their classification based on both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets as follows:

Amortized Cost

The financial asset is subsequently measured at amortized cost if both the financial asset is held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are carried at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the financial assets 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 included in this category of financial assets.

Financial Assets at FVTOCI

The financial asset is subsequently measured at FVTOCI if both the financial asset is held within a business model whose objectives achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding or if an irrevocable election was made for certain equity instruments at initial recognition. After initial recognition, the financial assets are measured at fair value, with gains or losses recognized within other comprehensive income except for impairment gains (losses) and foreign exchange gain (losses). Accumulated changes in fair value are recorded as a separate component of equity until the financial asset is derecognized, at which point, they are reclassified from equity to profit or loss as a reclassification adjustment. Transaction costs are included in the initial carrying amount of the asset.

Financial Assets at FVTPL

A financial asset shall be measured at FVTPL if it is not measured at amortized cost or at FVTOCI. If the financial asset that would otherwise be measured at FVTPL is not acquired or incurred principally for the purpose of selling or repurchasing it in the near term, not part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or a derivative, the Company may make an irrevocable election at initial recognition to present subsequent fair value changes of the equity instrument in OCI. Transaction costs associated with financial assets at FVTPL are expensed as incurred. These assets are carried at fair value with gains or losses recognized in profit or loss. Cash and cash equivalents are included in this category of financial assets.

Derivatives Designated as Hedging Instruments in an Effective Hedge

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

3.13 Impairment of financial assets

The Company shall recognize a loss allowance for expected credit losses on financial assets measured at amortized cost or FVTOCI, a lease receivable, a contract asset or a loan commitment. If the credit risk on the financial instrument has increased significantly since initial recognition, the loss allowance shall be measured at an amount equal to the lifetime expected credit losses, otherwise, it shall be measured at an amount equal to the 12-month expected credit losses.

3.14 Financial liabilities

At initial recognition, financial liabilities are classified as financial liabilities measured at amortized cost unless they are financial liabilities at FVTPL (including derivatives that are liabilities), financial liabilities that arise when a transfer of financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market rate or contingent consideration recognized by an acquirer in a business combination. Financial liabilities are recognized initially at fair value. Transaction costs directly attributable to the issue of a financial liability are included in the initial carrying value of financial liabilities if they are not measured at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as follows:

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.

Financial Liabilities at FVTPL

Financial liabilities are carried at fair value with gains or losses recognized in net income (loss). Where the financial liability is designated as at FVTPL, only the amount of change in the fair value of the financial liability that is attributable to the changes in the credit risk of that liability shall be presented in OCI and the remaining amount of changes in fair value presented in profit or loss. Transaction costs on financial liabilities at FVTPL are expensed as incurred.

Other Financial Liabilities

The Company does not hold or have any exposure to derivative instruments, financial liabilities that arise when a transfer of financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market rate or contingent consideration recognized by an acquirer in a business combination.

3.15 De-recognition of financial assets and liabilities

Financial assets are derecognized when the contractual 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 de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received, including any new asset obtained less any new liability assumed, is recognized in profit or loss. Where a transfer does not result in a derecognition due to continuing involvement, the Company shall continue to recognize the transferred asset and recognize a financial liability of the consideration received.

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, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

3.16 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 or common significant influence. 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, services or obligations between related parties.

4. CASH AND CASH EQUIVALENTS

As at March 31, 2019, total cash of $11,500 (March 31, 2018 - $11,500) is secured against the Company's credit cards and held in a Guaranteed Investment Certificate ("GIC") (Note 5). At March 31, 2019, the Company held no other GICs (March 31, 2018 - $800,000). These GICs earn interest at prime rate minus 2.45% and 2.6%.

5. AMOUNTS RECEIVABLE

The Company's amounts receivable arises from Goods and Services Tax ("GST") due from the government taxation authorities and accrued interest calculated on the GIC (Note 4).

(Expressed in Canadian dollars)

6. PREPAID EXPENSES

The Company's prepaid expenses are as follows:

	March 31, 2019	March 31, 2018
	$	$
Prepaid management fees	**5,931**	12,500
Prepaid rent	**2,480**	2,080
Prepaid consulting services	**82,656**	198,914
Total	**91,067**	213,494

7. INVESTMENTS

	Far Resources Ltd.	
	Number of Shares	Value
COST	#	$
As at March 31, 2017	-	-
Additions	555,555	227,777
As at March 31, 2018	555,555	227,777
Dispositions	(555,555)	(227,777)
As at March 31, 2019	**-**	**-**
CHANGES IN FAIR VALUE		$
As at March 31, 2017		-
Unrealized gain		11,111
As at March 31, 2018		11,111
Reclassification of unrealized gain at disposition		11,111
Realized loss from sale		(163,097)
As at March 31, 2019		**-**

On February 28, 2018, the Company received 555,555 common shares of Far Resources Ltd., valued at $227,777 related to the Hidden Lake Option Out Agreement (Notes 8). The Company retrospectively and irrevocably elected to recognize changes in the fair value of the investments in other comprehensive income (Note 2).

On February 15, 2019, the Company sold 555,555 common shares of Far Resources Ltd. for $75,791 and recognized $163,097 in realized loss on sale of securities.

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the year ended March 31, 2019 and 2018 are as follows:

	Hidden Lake Lithium Property $	Pontax Lithium Property $	Upper Ross Lake Property $	ZimFrac Property $	Quebec Properties $	Silver Sands Vanadium $	Total $
ACQUISITION COSTS							
Balance, April 1, 2017	230,000	310,000	3,419	150,000	-	-	693,419
Additions	225,000	-	-	-	191,580	-	416,580
Cost recoveries	(277,777)	-	(163)	-	-	-	(277,940)
Balance, March 31, 2018	177,223	310,000	3,256	150,000	191,580	-	832,059
Additions	**-**	**107,500**	**-**	**-**	**60,000**	**12,643**	**180,143**
Balance, March 31, 2019	**177,223**	**417,500**	**3,256**	**150,000**	**251,580**	**12,643**	**1,012,202**
EXPLORATION AND EVALUATION COSTS							
Balance, April 1, 2017	321,277	4,293	33,433	17,785	-	-	376,788
Additions	267,607	83,014	-	114,497	25,435	-	490,553
Cost recoveries	-	-	(18,683)	-	-	-	(18,683)
Government grant	(37,410)	-	-	-	-	-	(37,410)
Balance, March 31, 2018	551,474	87,307	14,750	132,282	25,435	-	811,248
Additions	**-**	**123,466**	**586**	**27,906**	**199,992**	**238**	**352,188**
Advancements	**-**	**-**	**-**	**-**	**103,625**	**-**	**103,625**
Balance, March 31, 2019	**551,474**	**210,773**	**15,336**	**160,188**	**329,052**	**238**	**1,267,061**
Total, March 31, 2018	728,697	397,307	18,006	282,282	217,015	-	1,643,307
Total, March 31, 2019	**728,697**	**628,273**	**18,592**	**310,188**	**580,632**	**12,881**	**2,279,263**

(Expressed in Canadian dollars)

8.1 Hidden Lake Lithium Property

On February 16, 2016, the Company entered into an Agreement (the "Agreement") with DG Resource Management Ltd. ("DG Resource"), Zimtu Capital Corp. ("Zimtu") and Michael V. Sklavenitis ("MS") for an option to acquire interest in two mineral claims consisting of 1,100 hectares, located northeast of Yellowknife, Northwest Territories. Under the terms of the Agreement, the Company earned 100% interest by paying cash of $85,000, issuing 4,000,000 common shares and completing $500,000 in exploration expenditures as follows (Notes 10 and 15):

	Common Shares	**Cash**	**Exploration Expenditures**
	#	$	$
Upon closing (paid)	-	5,000[(1)]	-
Upon regulatory approval of the Agreement (issued)	2,000,000[(2)]	-	-
30 days after regulatory approval of Agreement (paid)	-	45,000[(3)]	-
12 months after regulatory approval of the Agreement (issued; paid)	2,000,000[(2)]	35,000[(3)]	-
On or before September 30, 2016 (incurred)	-	-	250,000
On or before May 31, 2018 (incurred)	-	-	250,000
Total	4,000,000	85,000	$500,000

[(1)] Non-refundable deposit paid to DG Resources upon execution of the Agreement
[(2)] Issuable 50% to DG Resource, 25% to Zimtu and 25% to MS
[(3)] Payable to DG Resources

The regulatory approval related to the Hidden Lake Lithium Agreement was obtained from the TSXV on April 26, 2016.

On November 27, 2017, the Agreement was amended to extend the completion date of $250,000 exploration expenditures from on or before May 31, 2017 to on or before May 31, 2018.

Hidden Lake Property is subject to 2% Net Smelter Royalty with respect to the production of all material from the property, 1% of which can be purchased back from DG Resource by the Company within 5 years of the regulatory approval for $2,000,000 (the "DGRM Royalty").

Government grant

In 2017, the Government of the Northwest Territories conditionally approved a grant of $140,000 relating to the Mining Incentive Program (the "Northwest Territories Grant"). A condition of the Northwest Territories Grant is to incur $280,000 eligible expenses in the Northwest Territories, consisting of 2 phrases of work, channel sampling and diamond drilling, during the period from April 1, 2017 to March 31, 2018.

During the year ended March 31, 2018, the Company received $119,000 as an advance from the Northwest Territories Grant, which was recorded as a reduction to the carrying amount of the Hidden Lake Lithium Property. As at March 31, 2018, the Company has not completed the second phase of the program within the required timeframe, and as a result, is required to repay a portion of the grant. On May 18, 2018, the Company repaid $81,590 to the Government of the Northwest Territories related to the Northwest Territories Grant.

(Expressed in Canadian dollars)

Option-out Agreement

On January 22, 2018, the Company entered into an agreement to option out up to 90% of their interest in the Hidden Lake Property to Far Resources Ltd. ("Far") (the "Hidden Lake Option Out Agreement"), except for the DGRM Royalty, on the following terms and payments by Far to the Company:

	Value of Far Common Shares	Cash	Exploration Expenditures
	$	$	$
To earn an initial 60% undivided interest			
Upon closing (February 28, 2018) (received) (Notes 7)	500,000(1)	50,000	-
On or before February 28, 2019 (incurred)	-	-	500,000
To earn an additional 10% interest (70% interest in total)			
Within 10 business days after February 28, 2019	250,000	-	-
On or before February 28, 2020	-	-	500,000
To earn an additional 10% interest (80% interest in total)			
Within 10 business days after February 28, 2020	300,000	-	-
On or before February 28, 2021	-	-	600,000
To earn an additional 10% interest (90% interest in total)			
Within 10 business days after February 28, 2021	400,000	-	-
On or before February 28, 2022	-	-	700,000
Total	1,450,000	50,000	2,300,000

(1) Such number of common shares having an aggregate amount equal to $500,000 at an issue price of $0.90 per share. During the year ended March 31, 2018, 555,555 common shares were issued to the Company with a fair value of $227,777 (Note 7).

On May 16, 2019, Far notified the Company about its intention to terminate the remaining earn-in the for Hidden Lake Property, and will therefore maintain 60% interest earned through satisfying the Year 1 conditions of the agreement. Under the agreement, Far will remain as operator and is responsible for funding the Joint Venture's initial $1,000,000 in expenditures.

(Expressed in Canadian dollars)

8.2 Pontax Lithium Property

On July 25, 2016, the Company entered into an agreement (the "Pontax Agreement") with DG Resource and MS for an option to acquire 100% interest in 104 mineral claims consisting of 5,536 hectares near Eastmain, Quebec by paying cash of $50,000 and issuing 3,000,000 common shares as follows (Notes 10 and 15):

	Common Shares	Cash
	#	$
Upon execution (paid)	-	12,500[1]
Upon regulatory approval of the agreement (issued)	1,500,000[2]	-
Within 60 days of regulatory approval (paid)	-	12,500[3]
On or before May 31, 2018 (paid and issued)	1,500,000[2]	25,000[3]
Total	3,000,000	50,000

[1] Non-refundable deposit paid to DG Resource upon execution of the Pontax Lithium Agreement
[2] #1,000,000 issuable to DG Resource and #500,000 issuable to MS
[3] Payable to DG Resource

Regulatory approval for the Pontax Agreement was obtained on September 20, 2016.

On November 27, 2017, the Pontax Agreement was amended to extend the date of the 1,500,000 common share issuance and $25,000 cash payment from 1 year after the regulatory approval of the agreement to on or before May 31, 2018.

The Pontax Agreement is subject to a 3% Net Smelter Royalty ("NSR"). The Company can purchase 1.5% NSR within 5 years of regulatory approval by paying $2,000,000 to DG Resource.

8.3 Upper Ross Lake Property

On July 7, 2016, the Company staked 2 claims totaling 57 hectares in Upper Ross Lake, Northwest Territories.

8.4 ZimFrac Property

On January 27, 2014, the Company entered into a sale and purchase agreement (the "ZimFrac Agreement") with Cannon Bridge Capital Corp. ("Cannon") and Zimtu Capital Corp. ("Zimtu") (collectively, the "Vendors") and purchased from the Vendors a 100% interest in certain silica claims located near Golden, BC (the "ZimFrac Property"). In consideration, the Company issued 400,000 common shares (200,000 common shares to each of Cannon and Zimtu issued on February 6, 2014), subject to a 2% Net Smelter Royalty ("NSR"). The Company also issued 40,000 common shares in 2014 with a fair value of $0.25 per share as finder's fee.

The Company can purchase up to 1% NSR by paying an aggregate sum of $1,000,000 ($500,000 to each of Cannon and Zimtu).

The ZimFrac Agreement received regulatory approval on February 6, 2014.

(Expressed in Canadian dollars)

On March 3, 2017, the Company entered into an agreement (the "Golden Frac Sand Agreement") with Dahrouge Geological Consulting Ltd. ("Dahrouge") and DG Resource Management Ltd. ("DG Resource") to purchase a 100% interest in certain mineral claims located near Golden, BC (the "Golden Frac Sand Property") to expand the size of the ZimFrac Property. In consideration, the Company paid $40,000 ($20,000 payable to Dahrouge and $20,000 payable to DG Resource) within five days of signing the Golden Frac Sand Agreement on March 17, 2017.

The property has a Gross Over-Riding Royalty of 2% payable to DG Resource in the revenue from the sale of the production. The Company can purchase 1% of the GORR for $2,000,000 at any time.

8.5 Quebec Properties

On September 18, 2017, the Company entered into an agreement (the "Quebec Properties Agreement") with DG Resource Management Ltd. ("DG Resource"), Simon Dahrouge ("SCD"), Sydney Dahrouge ("SAD") and Michael V. Sklavenitis ("MS") for an option to acquire interest in 115 mineral claims in the Eastmain Property, Lac Du Beryl Property and Corvette Property, located in the James Bay Region, Quebec. Under the terms of the Agreement, the Company earned 100% interest by paying cash of $45,000 to DG Resource and issuing 1,500,000 share purchase warrants (500,000 each to SCD, SAD and MS) as follows (Notes 10 and 15):

	Warrants	**Cash**
	#	$
Upon closing (paid)	-	12,500(1)
Earlier of regulatory approval or within 60 days of closing (paid)	-	32,500(1)
Upon regulatory approval (issued)	1,500,000(2)	-
Total	1,500,000	45,000

(1) Payable to DG Resource
(2) Issued 500,000 each to SCD, SAD and MS

The regulatory approval related to the Quebec Properties Agreement was obtained from the TSXV on September 26, 2017.

On October 19, 2017, in connection with the Quebec Properties Agreement, the Company paid reimbursement costs to DG Resource of $2,220 incurred on the properties 2 months prior to signing the Quebec Properties Agreement.

The Quebec Properties Agreement is subject to a 2% Net Smelter Return with respect to the production of all materials from the properties.

<u>Corvette-FCI Property</u>

On September 4, 2018, the Company entered into an Option Agreement (the "Agreement") with Osisko Mining Inc. ("Osisko") to acquire up to a 75% interest in 28 mineral claims ("FCI East") directly adjoining the Company's 100% owned Corvette Property.

(Expressed in Canadian dollars)

Under the terms of the Agreement, the Company could earn 100% interest by issuing 2,000,000 common shares to Osisko and incurring $2,250,000 work exploration expenditures as follows:

	Common Shares	**Work exploration expenditures**
	#	$
Upon closing date of the Agreement (issued) (September 14, 2018) (Note 10)	1,000,000	-
On or before the 1st anniversary date of closing (September 14, 2019)	1,000,000	250,000
To earn an initial 25% undivided interest		
On or before the 2nd anniversary date of closing (September 14, 2020)	-	800,000
To earn an additional 25% undivided interest (50% interest in total)		
On or before the 3rd anniversary date of closing (September 14, 2021)	-	1,200,000
Total	2,000,000	2,250,000

Osisko will act as Operator of the FCI Property for the term of the 50% earn-in, with a Steering Committee of equal representation formed to provide advice and direction to the Operator. Upon completion of the 50% earn-in (third anniversary of TSX-V approval, September 14, 2021), a Joint Venture Corporation will be formed with the Company retaining an Option to acquire a further 25% interest, for a total of 75% undivided interest, through funding of the next $2,000,000 in exploration expenditures. The Company may become Operator upon notice to Osisko that it intends to incur the $2,000,000 in work expenditures for a final undivided interest of 75%. Osisko's remaining 25% interest may be further reduced through dilution if they elect to not fund their portion of subsequent exploration/development. If ownership falls below 10%, Osisko will have the right to convert this remaining interest into a 1% Net Smelter Royalty (NSR), of which, the Company retains the right to buy for $5,000,000, and thereby, would obtain a 100% undivided interest in the FCI Property.

On January 22, 2019, the Company provided Osisko $115,000 as cash call to pay for mineral exploration expenditures incurred for Corvette-FCI property. As at March 31, 2019, there was $103,625 remaining in the cash call.

On April 24, 2019, the Company and Osisko entered an amended agreement to include an additional 83 claims ("FCI West"). No additional shares, cash, or work commitment is required by the Company. The amended agreement remains subject to TSX Venture Exchange approval.

8.6 Silver Sands Vanadium Project

On November 13, 2018, the Company entered into an agreement with DG Resource Management Ltd. to acquire 100% interest in Silver Sands Vanadium project (the "Project"), located in the Pine Pass area of eastern British Columbia. The Silver Sands Vanadium Project covers 3,735 hectares directly east of the Pine Pass Vanadium Project held by Ethos Gold Corp., which is located about 200 km north of Prince George, British Columbia. Pursuant to the agreement, the Company will acquire a 100% interest in the Project by paying staking costs of $15,000. The vendor will retain a 2% Net Smelter Return on the Property.

As at March 31, 2019, the Company has paid $12,643 in staking fee pursuant to the agreement.

9. TRADE PAYABLES AND ACCRUED LIABILITIES

The Company's trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to administrative activities. The usual credit period taken for trade purchases is between 30 to 90 days.

10. SHARE CAPITAL

10.1 Authorized share capital

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

As at March 31, 2019, the Company had 87,802,456 common shares outstanding (March 31, 2018 - 69,592,456).

10.2 Shares issuances

During the year ended March 31, 2019 and 2018, the Company issued common shares as follows:

On December 27, 2018, the Company closed a non-brokered private placement financing for gross proceeds of $618,000 by issuing 12,360,000 flow-through ("FT") units at a price of $0.05 per unit. Each FT unit consists of one FT common share and one-half of one non-transferable share purchase warrant. Each whole warrant will permit the holder to acquire one additional common share at a price of $0.10 per share until December 27, 2021. In connection with the private placement, the Company paid a finder's fee of $39,440 in cash and issued 860,800 agent warrants (Note 15). Each agent warrant is exercisable to acquire one common share for a period of thirty-six months from the date of issuance at an exercise price of $0.10 per share.

On September 17, 2018, the Company issued 1,000,000 common shares valued at $0.06 per share for the acquisition of the Corvette-FCI Property (Notes 8 and 15).

On August 1, 2018, the Company closed a non-brokered private placement financing for gross proceeds of $217,750 by issuing 3,350,000 non-flow-through ("NFT") units at a price of $0.065 per unit. Each NFT unit consists of one NFT common share and one-half of one non-transferable share purchase warrant. Each whole warrant will permit the holder to acquire one additional NFT common share at a price of $0.10 per share until August 1, 2019.

On June 18, 2018, the Company issued 1,500,000 common shares valued at $0.055 per share in accordance to the Pontax Agreement (Notes 8 and 15).

During the year ended March 31, 2018, the Company issued 1,535,000 common shares in accordance with the exercise of stock options for proceeds of $157,500. On exercise, the Company transferred $139,643 from reserves to share capital.

(Expressed in Canadian dollars)

During the year ended March 31, 2018, the Company issued 772,500 common shares in accordance with the exercise of warrants for proceeds of $106,875. On exercise, the Company transferred $1,069 from reserves to share capital.

On January 3, 2018, the Company closed a non-brokered private placement financing for gross proceeds of $1,141,000 by issuing 11,410,000 non-flow-through ("NFT") units at a price of $0.10 per unit. Each NFT unit consists of one common share and one-half of one non-transferable share purchase warrant. Each whole warrant will permit the holder to acquire one additional NFT common share at a price of $0.15 per share until January 3, 2019. Value is allocated to the warrants using the residual method. The Company recognized $Nil as the fair value of warrants and $1,141,000 as the fair value of common shares in accordance with the residual method. In connection with the private placement, the Company paid a finder's fee of $16,400 in cash and issued 164,000 agent warrants (Note 15). Each agent warrant is exercisable to acquire one additional NFT common share for a period of one year from the date of issuance at an exercise price of $0.15 per share.

On April 19, 2017, the Company issued 2,000,000 common shares valued at $0.095 per share for a total fair value of $190,000 in accordance to the Hidden Lake Lithium Agreement (Notes 8 and 15).

10.3 Share purchase warrants

A summary of changes in the Company's share purchase warrants outstanding as at March 31, 2019 and March 31, 2018 is as follows:

	March 31, 2019		March 31, 2018	
	Number of warrants	**Weighted average exercise price $**	Number of warrants	Weighted average exercise price $
Outstanding, beginning of period	**15,407,166**	**0.15**	10,534,026	0.14
Granted	**8,715,800**	**0.10**	7,369,000	0.15
Exercised	**-**	**-**	(772,500)	0.14
Expired	**(13,907,166)**	**-**	(1,723,360)	0.10
Outstanding, end of period	**10,215,800**	**0.11**	15,407,166	0.15

For the year ended March 31, 2019:

On April 18, 2018, 514,000 warrants expired unexercised.

On August 1, 2018, the Company granted 1,675,000 warrants in connection with a private placement.

On December 27, 2018, the Company granted 6,180,000 warrants in connection with a private placement.

(Expressed in Canadian dollars)

On January 3, 2019, 5,869,000 warrants expired unexercised.

On February 24, 2019, 7,524,166 warrants expired unexercised.

During the year ended March 31, 2019, the Company recorded share issue costs of $15,897 for the 860,800 agent warrants granted pursuant to a private placement. The fair value of the agent warrants issued was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: stock price of $0.03, volatility 138.13%, risk-free rate 1.91%, dividend yield 0%, and expected life of 3 years.

For the year ended March 31, 2018:

During the year ended March 31, 2018, the Company issued 5,705,000 warrants in connection with a private placement.

During the year ended March 31, 2018, the Company recorded share issue costs of $11,603 for the 164,000 agent warrants granted pursuant to a private placement. The fair value of the 164,000 agent warrants and 1,500,000 warrants issued in connection with Quebec Properties Agreement was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: stock price of $0.11, volatility 163.99%, risk-free rate 1.79%, dividend yield 0%, and expected life of 4.61 years.

On March 17, 2018, a total of 1,398,360 share purchase warrants expired with an exercise price of $0.10.

On January 8, 2018, a total of 325,000 share purchase warrants expired with an exercise price of $0.10.

The following table summarizes information regarding share purchase warrants outstanding as at March 31, 2019:

Date issued	Number of warrants	Exercise price ($)	Expiry date	Weighted average remaining life
September 25, 2017	1,500,000	0.15	September 25, 2022	0.51
August 1, 2018	1,675,000	0.10	August 1, 2019	0.06
December 27, 2018	460,800	0.10	December 27, 2020	1.75
December 27, 2018	6,580,000	0.10	December 27, 2021	1.81
	10,215,800	**0.11**		**2.38**

10.4 Stock options

The Company has an incentive share option plan for granting options to directors, employees and consultants, under which the total outstanding options are limited 10% of the outstanding common shares at the time of each grant. Options granted may not exceed a term of ten years. All options vest when granted unless otherwise specified by the Board of Directors.

For the year ended March 31, 2019:

On July 11, 2018, the Company granted a total of 1,900,000 stock options to a consultant, officers and directors of the Company. Each stock option is exercisable into one additional common share at $0.05 per share until July 11, 2021 and vested immediately on the date of grant. The Company recognized $66,043 as share-based payments on the statement of comprehensive loss on the grant of the stock options. The fair value of $66,043 share-based payments was estimated using the Black-Scholes pricing model with estimated, stock price of $0.05, volatility 141%, risk-free rate 1.5%, dividend yield 0%, and expected life of 3 years.

On August 1, 2018, the Company granted a total of 800,000 stock options to a consultant of the Company. Each stock option is exercisable into one additional common share at $0.055 per share until August 1, 2020 and vested immediately on the date of grant. The Company recognized $26,995 as share-based payments on the statement of comprehensive loss on the grant of the stock options. The fair value of $26,995 share-based payments was estimated using the Black-Scholes pricing model with estimated, stock price of $0.055, volatility 121%, risk-free rate 1.5%, dividend yield 0%, and expected life of 2 years.

On January 17, 2019, 142,000 options expired unexercised.

On March 4, 2019, 860,000 options cancelled unexercised.

On March 21, 2019, 25,000 options cancelled unexercised.

For the year ended March 31, 2018:

On December 18, 2017, the Company granted a total of 1,720,000 stock options to 2 consultants of the Company. Each stock option is exercisable into one additional common share at $0.10 per share until December 18, 2019 and vested immediately on the date of grant. The Company recognized $123,874 as share-based payments on the statement of comprehensive loss on the grant of the stock options.

On August 1, 2017, the Company granted a total of 300,000 stock options to a consultant of the Company. Each consultant stock option is exercisable into one additional common share at $0.10 per share until August 1, 2019 and vested immediately on the date of grant. The Company recognized $18,813 as share-based payments on the statement of comprehensive loss on the grant of the stock options.

On May 15, 2017, the Company granted a total of 1,150,000 stock options to employees, consultants, directors, and officers of the Company. Each stock option is exercisable into one additional common share at $0.08 per share until May 15, 2020 and vested immediately on the date of grant. The Company recognized $77,683 as share-based payments on the statement of comprehensive loss on the grant of the stock options (Note 12).

(Expressed in Canadian dollars)

The following table summarizes information regarding stock options outstanding and exercisable as at March 31, 2019:

Exercise price	Number of options outstanding	Weighted-average remaining contractual life (years)	Weighted average exercise price $
Options outstanding and exercisable			
$0.05	1,900,000	0.76	0.05
$0.055	800,000	0.19	0.055
$0.08	975,000	0.19	0.08
$0.10	1,400,000	0.42	0.10
$0.115	400,000	0.07	0.115
$0.12	250,000	0.02	0.12
Total options outstanding and exercisable	**5,725,000**	**1.65**	**0.08**

The weighted average grant date fair value of the options granted during the year ended March 31, 2019 was $0.03 (March 31, 2018 - $0.07) per option using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

Year ended	March 31, 2019	March 31, 2018
Share price at grant date ($)	**$0.05 - $0.055**	$0.09
Risk free interest rate (%)	**1.50%**	1.21%
Expected life (years)	**2.70**	2.36
Expected volatility (%)	**135%**	148.58%
Expected dividend per share	**-**	-
Fair market value of the option on grant date ($)	**$0.03**	$0.07

11. LOSS PER SHARE

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

Year ended	March 31, 2019 $	March 31, 2018 $
Net loss for the year	**(1,012,368)**	(964,690)
Weighted average number of shares – basic and diluted	**76,750,474**	58,978,569
Loss per share, basic and diluted	**(0.013)**	(0.016)

(Expressed in Canadian dollars)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted 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 year, if dilutive. All of the stock options and the share purchase warrants were anti-dilutive for the year ended March 31, 2019 and 2018 as the Company incurred a loss.

12. SHARE-BASED PAYMENTS

Share-based payments for options granted by the Company during the year ended March 31, 2019 and 2018 are amortized over their vesting period as follows:

Grant date	Fair value $	Amount vested in the year ended March 31, 2019 $	Amount vested in the year ended March 31, 2018 $
May 15, 2017	**77,683**	**-**	77,683
August 1, 2017	**18,813**	**-**	18,813
December 18, 2017	**123,874**	**-**	123,874
July 11, 2018	**66,043**	**66,043**	-
August 1, 2018	**26,995**	**26,995**	-
Total	**313,408**	**93,038**	220,370

(Expressed in Canadian dollars)

13. FINANCIAL INSTRUMENTS

13.1 Categories of financial instruments

As at	March 31, 2019 $	March 31, 2018 $
FINANCIAL ASSETS		
At FVTPL		
Cash and cash equivalents	**698,446**	1,122,915
At FVTOCI		
Investment	**-**	238,888
Total financial assets	**698,446**	1,361,803
FINANCIAL LIABILITIES		
At amortized cost		
Trade payables	**40,196**	223,781
Total financial liabilities	**40,196**	223,781

13.2 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. As at March 31, 2019, the Company does not have any Level 3 financial instruments.

(Expressed in Canadian dollars)

As at March 31, 2019	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value				
Cash and cash equivalents	**698,446**	**-**	**-**	**698,446**
Total financial assets at fair value	**698,446**	**-**	**-**	**698,446**

As at March 31, 2018	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value				
Cash and cash equivalents	1,122,915	-	-	1,122,915
Investments	238,888	-	-	238,888
Total financial assets at fair value	1,361,803	-	-	1,361,803

There were no transfers between Level 1 and 2 and 3 in the year ended March 31, 2019 and 2018.

13.3 Management of capital and financial risks

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

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 common shares or dispose of assets or adjust the amount of cash.

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price 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

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. As at March 31, 2019, all of the Company's trade payables of $40,196 have contractual maturities of 30 to 90 days are subject to normal trade terms. The Company's loans payables are due on demand. The Company does not have investments in any asset backed deposits.

Foreign exchange risk

The Company does not have significant foreign exchange risk as the majority of its transactions are in Canadian dollars.

Interest rate risk

The Company is not exposed to significant interest rate risk.

14. RELATED PARTY TRANSACTIONS

The amounts due to related parties are amounts due to directors and officers. The balances are unsecured, non-interest bearing and have no specific terms for repayment.

As at March 31, 2019 and 2018, no amounts were due to key management, directors of the Company or companies controlled by management or directors of the Company.

As at March 31, 2019, an amount of $5,931 (March 31, 2018 - $Nil) management fees was recorded as prepaid expense (Note 6).

14.1 Related party expenses

During the year ended May 31, 2019 and 2018, the Company entered into the following transactions with related parties:

Year ended	**March 31, 2019** **$**	March 31, 2018 $
Expenses paid or accrued to directors of the Company, senior officers and companies with common directors:		
Management and administration fees	**157,826**	197,608
Consulting fees	**30,000**	30,000
Share based payments	**57,354**	77,683
Total related party expenses by type	**245,180**	305,291

(Expressed in Canadian dollars)

The breakdown of the expenses by key management personnel is as follows:

Year ended	March 31, 2019 $	March 31, 2018 $
Chief Executive Officer	**111,430**	140,961
Chief Financial Officer	**81,156**	110,687
Corporate Secretary	**38,690**	36,755
Directors	**13,904**	16,888
Total related party expenses by key management personnel	**245,180**	305,291

14.2 Key management personnel compensation

The Company has identified its directors and senior officers as its key management personnel. The remuneration of key management was as follows:

Year ended	March 31, 2019 $	March 31, 2018 $
Short-term benefits	**187,826**	227,608
Share-based payments	**57,354**	77,683
Total key management personnel compensation	**245,180**	305,291

15. SUPPLEMENTAL CASH FLOW INFORMATION

15.1 Cash payments for interest and taxes

During the year ended March 31, 2019, the Company made $Nil (March 31, 2018 - $Nil) cash payments for interest and income taxes.

(Expressed in Canadian dollars)

15.2 Non-cash financing and investing activities

The Company incurred the following non-cash investing and financing transactions during the year ended March 31, 2019 and 2018:

Year ended	March 31, 2019 $	March 31, 2018 $
Non-cash financing activities:		
Share issuance costs	**15,897**	11,603
Non-cash investing activities:		
Shares issued for exploration and evaluations assets	**142,500**	190,000
Shares received for exploration and evaluations assets	-	227,777
Warrants issued for exploration and evaluations assets	-	146,580
Cash paid for income taxes	-	-
Cash paid for interest	-	-

During the year ended March 31, 2019, the Company granted agents' warrants with the value of $15,897 (March 31, 2018 - $11,603) as a part of the share issuance costs (Note 10).

On September 17, 2018, the Company issued 1,000,000 common shares valued at $60,000 for the acquisition of the Corvette-FCI Property (Notes 8 and 10).

On June 18, 2018, the Company issued 1,500,000 common shares valued at $82,500 in accordance to the Pontax Agreement (Notes 8 and 10).

During the year ended March 31, 2019, the Company granted a total of 2,700,000 stock options, recognizing $93,038 share-based payments.

On February 28, 2018, the Company received 555,555 shares of Far valued at $227,777 related to the Hidden Lake Option Out Agreement (Note 8).

On September 25, 2017, the Company issued 1,500,000 warrants valued at $146,580 in accordance to the Quebec Properties Agreement (Notes 8 and 10).

On April 19, 2017, the Company issued 2,000,000 common shares valued at $190,000 in accordance with the Hidden Lake Lithium Agreement (Notes 8 and 10).

16. COMMITMENTS

The Company has certain commitments related to key management compensation for $12,500 per month with no specific expiry of terms (Note 14).

The Company has certain commitments in connection with its mineral properties (Note 8).

(Expressed in Canadian dollars)

17. FLOW-THROUGH PREMIUM LIABILITY

During the year ended March 31, 2019, the Company issued 12,360,000 flow-through units for gross proceeds of $618,000 and recognized a deferred flow-through premium of $247,200, non-cash, as the difference between the amounts recognized in common shares and the amounts the investors paid for the units.

As at March 31, 2019, the flow-through premium liability outstanding relating to these flow-through shares was $226,391 (March 31, 2018 - $2,731). The Company is required to spend approximately $565,978 in eligible exploration expenditures.

During the year ended March 31, 2019, the Company recognized flow-through income of $23,540 (March 31, 2018 - $22,136).

18. TAXES

18.1 Provision for income taxes

	March 31, 2019 $	March 31, 2018 $
Loss before tax	1,012,368	964,690
Statutory tax rate	27.00%	26.25%
Expected tax recovery	273,339	253,231
Non-deductible items and other	(9,615)	(87,093)
Change in prior year provision to actual	(46,043)	(984)
Change in enacted tax rates	40,682	12,445
Change in deferred tax assets not recognized	(258,363)	(177,599)
Tax recovery for the year	**-**	**-**

18.2 Deferred tax balances

The tax effects of deductible temporary differences for which no deferred tax asset has been recognized are as follows:

As at March 31	March 31, 2019 $	March 31, 2018 $
Tax loss carry-forwards	1,836,218	1,434,943
Net capital loss carry-forwards	45,103	23,085
Exploration and evaluation properties	(164,387)	6,870
Share issue costs	14,326	8,000
Deferred tax assets not recognized	**1,731,261**	**1,472,898**

(Expressed in Canadian dollars)

18.3 Expiry dates

The Company's unrecognized deferred tax assets related to unused tax losses have the following expiry dates:

	March 31, 2019 $
Non-capital losses	
2029	**17,141**
2030	**241,622**
2031	**540,868**
2032	**1,067,925**
2033	**824,649**
2034	**339,964**
2035	**399,070**
2036	**434,562**
2037	**694,826**
2038	**742,864**
2039	**1,497,317**
Total non-capital losses	**6,800,808**
Total resource-related deduction, no expiry	**1,670,050**

19. EVENTS AFTER THE REPORTING PERIOD

The following events occurred subsequent to the year ended March 31, 2019:

a) On May 16, 2019, Far notified the Company about its intention to terminate the remaining earn-in for Hidden Lake Property, and will therefore maintain 60% interest earned through satisfying the Year 1 conditions of the agreement. Under the agreement, Far will remain as operator and is responsible for funding the Joint Venture's initial $1,000,000 in expenditures.

b) On April 24, 2019, the Company and Osisko entered an amended agreement to include an additional 83 claims ("FCI West"). No additional shares, cash, or work commitment is required by the Company. The amended agreement remains subject to TSX Venture Exchange approval.

c) On April 25, 2019, the Company issued 200,000 common shares for gross proceeds of $10,000 for options exercised.

d) On May 2, 2019, the Company granted 2,500,000 shares options, which are exercisable for a period of three years, at a priced of $0.06 per share.

20. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Financial Statements of the Company for the year ended March 31, 2019 were approved and authorized for issue by the Board of Directors on July 24, 2019.