

**TAIGA GOLD CORP.**  
**(An Exploration Stage Corporation)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
(Expressed in Canadian dollars)

For the periods ended  
March 31, 2019 and 2018

**NOTICE TO READER OF THE  
CONDENSED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the condensed interim financial statements for the period ended March 31, 2019.

The Management of Taiga Gold Corp. is responsible for the preparation of the accompanying condensed interim financial statements as at March 31, 2019.

The condensed interim financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with International Financial Reporting Standards.

*"Timothy J Termuende"*

---

Timothy J. Termuende, P. Geo  
President and Chief Executive Officer

*"Glen J Diduck"*

---

Glen J. Diduck  
Chief Financial Officer

**TAIGA GOLD CORP.**  
**(An Exploration Stage Corporation)**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian dollars)

	<b>March 31</b>	December 31
	<b>2019</b>	2018
	<b>(unaudited)</b>	(audited)
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 364,338	\$ 509,834
Accounts receivable	5,174	6,833
	<b>369,512</b>	516,667
<b>Exploration and evaluation assets</b> (Note 4)	<b>6,276,538</b>	6,273,736
	<b>\$6,646,050</b>	\$6,790,403
<b>Liabilities and Shareholders' Equity</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 32,719	\$ 74,064
Premium on flow-through shares	26,478	26,759
	<b>59,197</b>	100,823
<b>Shareholders' equity</b>		
Share capital (Note 9)	7,063,546	7,063,546
Contributed surplus	545,088	538,957
Deficit	(1,021,781)	(912,923)
	<b>6,586,853</b>	6,689,580
	<b>\$6,646,050</b>	\$6,790,403

**Nature and continuance of operations** (Note 1)

**Commitments and contingencies** (Note 7)

**Subsequent event** (Note 11)

**On behalf of the Board:**

"Timothy J Termuende" Director  
Mr. Timothy J. Termuende (Signed)

"Glen J Diduck" Director  
Mr. Glen J. Diduck (Signed)

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

**TAIGA GOLD CORP.**  
**(An Exploration Stage Corporation)**  
**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**  
(Expressed in Canadian dollars)

	<b>Three months ended Mar 31 2019</b>	Three months ended Mar 31 2018
<b>Operating expenses</b>		
Administration costs (Note 6)	\$ 66,025	\$ -
Professional fees (Note 6)	12,456	-
Public company costs	3,550	-
Trade shows, travel and promotion	22,128	-
<b>Operating loss before other items</b>	<b>104,159</b>	-
<b>Other items</b>		
Other income	(1,152)	-
Premium on flow-through shares	(280)	-
Share-based payments (Note 9)	6,131	-
	4,699	-
<b>Loss for the year</b>	<b>\$108,858</b>	\$ -
<b>Net loss per share – basic and diluted (Note 10)</b>	<b>(\$0.00)</b>	(\$0.00)
<b>Weighted average number of shares – basic and diluted (Note 10)</b>	<b>61,274,050</b>	1

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

**TAIGA GOLD CORP.**  
**(An Exploration Stage Corporation)**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian dollars)

	Three months ended Mar 31 2019	Three months ended Mar 31 2018
<b>Cash flows from operating activities</b>		
Loss for the period	\$(108,858)	\$ -
Adjustment for:		
Share-based payments	6,131	-
Premium on flow-through shares	(280)	-
	<u>(103,007)</u>	-
Changes in non-cash working capital items		
Increase in accounts receivable	1,659	-
Increase in accounts payable and accrued liabilities	(41,346)	-
	<u>(142,694)</u>	-
<b>Cash flows from investing activities</b>		
Exploration and evaluation assets expenditures	(2,802)	-
	<u>(2,802)</u>	-
<b>Decrease in cash and cash equivalents</b>	(145,496)	-
Cash and cash equivalents, beginning of period	509,834	1
<b>Cash and cash equivalents, end of period</b>	<u>\$ 364,338</u>	<u>\$ 1</u>
<b>Cash and cash equivalents comprise:</b>		
Bank deposits	\$ 133,761	\$ 1
Term deposits	230,677	-
	<u>\$ 364,338</u>	<u>\$ 1</u>

The Company made no cash payments for interest or income taxes in the period.  
The Company received cash payments of \$1,017 (2018 - \$nil) for interest in the period.

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

**TAIGA GOLD CORP.**  
**(An Exploration Stage Corporation)**  
**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
(Expressed in Canadian dollars)

	Share	Capital	Contributed		
	Shares	Amount	Surplus	Deficit	Total
Balance, December 31, 2017	-	\$ -	\$ -	\$ -	\$ -
Shares issued	1	1	-	-	1
<b>Balance, March 31, 2018</b>	<b>1</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>

	Share	Capital	Contributed		
	Shares	Amount	Surplus	Deficit	Total
Balance, December 31, 2018	61,274,050	\$7,063,546	\$ 538,957	\$ (912,923)	\$ 6,689,580
Share-based payment	-	-	6,131	-	6,131
Loss for the period	-	-	-	(108,858)	(108,858)
<b>Balance, March 31, 2019</b>	<b>61,274,050</b>	<b>\$7,063,546</b>	<b>\$ 545,088</b>	<b>\$(1,021,781)</b>	<b>\$6,586,853</b>

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

**March 31, 2019 and 2018**

---

## **1. Nature and continuance of operations**

---

Taiga Gold Corp. ("Taiga" or the "Company") was incorporated on September 28, 2017 under the laws of the province of Alberta as a wholly-owned subsidiary of Eagle Plains Resources Ltd. ("Eagle Plains", "EPL"). On April 6, 2018, a Plan of Arrangement (the "Plan of Arrangement") was approved by the shareholders of Eagle Plains whereby Eagle Plains distributed 100% of its interest in certain properties (the "Spin-out Properties") to Taiga. Concurrently with the completion of the Arrangement, Taiga obtained approval to list its common shares on the Canadian Securities Exchange ("CSE") and began trading under the symbol TGC on April 30, 2018.

The Company is engaged in the exploration and development of mineral resources and is considered to be in the exploration stage as it has not placed any of its mineral properties into production.

The corporate office and principal place of business is Suite 200, 44-12<sup>th</sup> Avenue South, Cranbrook, British Columbia, Canada.

The Company's ability to continue as a going concern is dependent on the ability of Taiga to raise equity or debt financing or the attainment of profitable operations to settle liabilities as they become payable. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary, should the Company be unable to continue as a going concern.

---

## **2. Basis of Preparation**

---

### (a) Statement of Compliance

The condensed interim financial statements for the Company for the periods ending March 31, 2019 and 2018 are prepared in accordance with International Financial Reporting Standard 34 ("IAS 34"), Interim Financial Reporting, using accounting policies which are consistent with International Accounting Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed interim financial statements were authorized for issue by the Board of Directors on May 23, 2019.

### (b) Basis of Measurement

These condensed interim financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI") which are stated at their fair value. These condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

### (c) Use of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further years if the revision affects both current and future years.

**March 31, 2019 and 2018**

**2. Basis of Preparation - continued**

Significant areas requiring the use of management estimates include impairment of exploration and evaluation assets; provision of reclamation and environmental obligations, if any; and inputs used in accounting for share-based payments in profit or loss.

Areas of significant judgment include the going concern assessment (note 1); the classification of financial instruments; recognition of deferred income taxes and contingencies reported in the notes to the financial statements; and the classification of exploration and evaluation expenditures, which requires judgment in determining whether it is likely that future economic benefits will flow to the Company as this would result in the properties being shown as mines under construction instead of exploration and evaluation assets.

**3. Significant Accounting Policies**

The condensed interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in Note 4 to the audited financial statements for the year ended December 31, 2018.

New accounting pronouncements

Certain new accounting standards and interpretations have been published that are mandatory for the March 31, 2019 reporting period. The adoption of the following standards, effective January 1, 2019, had no impact on the Company's carve-out financial statements.

IFRS 16 – Leases

The new standard recognizes most leases for lessees under a single model, eliminating the distinction between operating and finance leases. The application of this standard is effective for annual periods beginning on or after January 1, 2019.

**4. Exploration and Evaluation Assets**

During the period ended March 31, 2019, the Company made acquisition and exploration expenditures of \$2,802 (2018 - \$nil) and received option payments of \$nil (2018 - \$nil). As a result of the foregoing, exploration and evaluation assets totaled \$6,276,538 at March 31, 2019, up from \$6,273,736 at December 31, 2018.

	Dec 31 2018	Acquisition and Exploration	Mar 31 2019
Chico	\$ 7,415	\$ 2,458	\$ 9,873
Fisher	1,927,967	-	1,927,967
Leland	1,201,892	83	1,201,975
Orchid	2,761,972	69	2,762,041
SAM	374,490	192	374,682
	<u>\$ 6,273,736</u>	<u>\$ 2,802</u>	<u>\$6,276,538</u>

	Dec 31 2017	Fair Value of Spin Out Properties	Acquisition and Exploration	Option Payments	Dec 31 2018
Chico	\$ -	\$ -	\$ 7,415	\$ -	\$ 7,415
Fisher	-	1,892,967	110,000	(75,000)	1,927,967
Leland	-	1,195,894	5,998	-	1,201,892
Orchid	-	2,655,691	106,281	-	2,761,972
SAM	-	255,448	119,042	-	374,490
	<u>\$ -</u>	<u>\$6,000,000</u>	<u>\$348,736</u>	<u>\$ (75,000)</u>	<u>\$6,273,736</u>

**March 31, 2019 and 2018**

**4. Exploration and Evaluation Assets - continued**

Summary of acquisition and exploration expenditures:

	3 months 2019	YTD 2018
Analytical	\$ -	\$ 30,540
Environmental & consultations	2,679	11,878
Equipment rental	-	12,833
Geological and geochemical	-	2,287
Geophysical	-	54,050
Labour	123	95,483
Transportation	-	11,124
Travel and camp	-	15,720
	<u>\$2,802</u>	<u>\$348,736</u>

The Company has interests in a number of optioned exploration projects. As at March 31, 2019, the Company has executed option agreements with third parties on the following projects:

**Saskatchewan**

**Chico Project:** On December 9, 2016, Eagle Plains entered into an option agreement (subsequently transferred to Taiga per the Plan of Arrangement) with Aben Resources Ltd. ("Aben") whereby Aben has the exclusive right to earn an undivided 80% interest in the Chico Gold Project located in Saskatchewan. Aben may earn an initial 60% interest by incurring \$1,500,000 in exploration expenditures, issuing 1,500,000 common shares and making cash payments totalling \$100,000 over 4 years. Upon earning this 60% interest, Aben may elect to exercise a second option to earn a further 20% interest by incurring an additional \$2,000,000 in exploration expenditures, issuing 1,000,000 common shares, and making \$50,000 cash payment within two years of the date of election. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	<u>Due Date</u>
\$ 25,000	-	\$ -	December 9, 2016 (received)
-	250,000	-	January 6, 2017 (received)
25,000	250,000	150,000	January 6, 2018 (received)
25,000	500,000	250,000	January 6, 2019 (in force majeure)
25,000	500,000	450,000	January 6, 2020
-	-	650,000	January 6, 2021
<u>\$ 100,000</u>	<u>1,500,000</u>	<u>\$ 1,500,000</u>	

On March 23, 2018, the Company and Aben made the decision to suspend the planned and permitted drill program as a result of a request by the citizens of the community of Pelican Narrows and members of the Peter Ballantyne Cree Nation. As a result, the option agreement has been placed in force majeure and all future payments are suspended. Aben may revisit plans to explore the property in the future, following meaningful consultation with the community and PBCN members.

**Fisher Gold Project:** On October 5, 2016, Eagle Plains entered into an option agreement (subsequently transferred to Taiga per the Plan of Arrangement) with Silver Standard Resources Inc. (subsequently transferred to SGO Mining Inc., a wholly-owned subsidiary) ("SGO") whereby SGO could earn up to a 60% interest in the property, located in Saskatchewan. To earn a 60% interest over four years, SGO agreed to complete \$4,000,000 in exploration expenditures, make an initial cash payment of \$100,000 and make annual cash payments of \$75,000. Once the 60% earn-in has been completed, SGO has a 365-day, one-time option (by agreement dated October 15, 2018 with SGO, Taiga agreed to extend the time period under the option agreement for SGO to exercise its right to acquire an additional 20% undivided interest in the Fisher property from 90 days to 365 days) to earn an additional 20% interest (for a total of 80%) by making a cash payment of \$3,000,000 to Taiga, at which time an 80/20 joint-venture will be formed to further advance the property. Taiga will retain a Net Smelter Return ("NSR") ranging from 0.5% to 2.5% depending on the locations of the claims as set out in the agreement, subject to reduction on certain claims by underlying NSR agreements. Taiga's NSR may be reduced by 1% at any time upon payment of \$1,000,000 by the joint venture. In addition, Taiga will receive advance royalty payments of \$100,000 annually from the joint venture until commencement of commercial production. Taiga has an agreement to pay a third party a 1% net smelter return on certain claims as described in an underlying agreement.

**March 31, 2019 and 2018**

**5. Financial Instruments**

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 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

<b>March 31, 2019</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
<b>Cash and cash equivalents</b>	<b>\$ 364,338</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 364,338</b>

  

December 31, 2018	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	\$ 509,834	\$ -	\$ -	\$ 509,834

The Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to concentration risk, credit risk, currency risk and commodity price risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a) Concentration risk

At March 31, 2019 and 2018, substantially all of the Company's cash and cash equivalents were held at one recognized Canadian National financial institution. As a result, the Company was exposed to all of the risks associated with that institution.

b) Credit risk

The Company is exposed to credit risk, which is the risk that a customer or counterparty will fail to perform an obligation or settle a liability, resulting in financial loss to the Company. The Company manages exposure to credit risk by adopting credit risk guidelines that limit transactions according to counterparty credit worthiness. The maximum credit exposure associated with accounts receivable is the carrying value on the statements of financial position.

c) Currency risk

Currency risk is the risk to the Company's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. At March 31, 2019, the Company held cash of \$326 (2018 - \$nil) in US\$. The Company is not exposed to significant currency risk.

d) Commodity price risk

The value of the Company's mineral resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

**March 31, 2019 and 2018**

**6. Related Party Transactions**

The Company was involved in the following related party transactions during the period:

- (a) The Company is related to Eagle Plains Resources Ltd. through common directors. During the period the Company had the following transactions with the related company:

	<b>2019</b>	<b>2018</b>
Administrative services provided by EPL	<b>\$ 5,355</b>	-
Costs reimbursed to EPL	<b>\$ 23,646</b>	-
Exploration services provided by EPL	<b>\$ 1,723</b>	-

At March 31, 2019, \$7,005 (2018 - \$nil) is included in accounts payable and accrued liabilities.

- (b) Included in professional fees is \$1,956 (2018 - \$nil) paid or accrued for legal fees to a law firm of which one of the directors, Darren Fach, is a partner. At March 31, 2019, \$1,956 (2018 - \$nil) is included in accounts payable and accrued liabilities.

Compensation to key management

Compensation to key management personnel in the period was as follows:

		<b>2019</b>	<b>2018</b>
Consulting fees	to a company owned by a director and officer of Taiga	<b>\$ 21,000</b>	\$ -
Wages and benefits	to directors and officers of Taiga	<b>26,224</b>	-
Professional fees	to a director and officer of Taiga	<b>10,500</b>	-
		<b>\$ 57,724</b>	\$ -

- (c) Included in administration costs is \$21,000 (2018 - \$nil) paid or accrued for management services to a company owned by a director and officer of the Company.
- (d) Included in administration costs is \$26,224 (2018 - \$nil) paid or accrued for wages and benefits to directors and officers of the Company.
- (e) Included in professional fees is \$10,500 (2018 - \$nil) paid or accrued for accounting services to a director and officer of the Company.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment unless otherwise specified.

**7. Commitments and Contingencies**

All expenses or costs of the Plan of Arrangement, including without limitation, financial, advisory, accounting, marketing, exchange review and listing, shareholder meeting and legal fees and costs, incurred by a party were borne by Eagle Plains. Taiga agrees to reimburse Eagle Plains for all such fees and costs (totalling \$310,929) contingent upon any one or more of the following events occurring within three (3) years of the Listing Date:

- (a) Taiga completing an equity financing raising net proceeds of \$1,000,000 or greater; or
- (b) SGO Mining Inc. exercising its option to acquire 80% of the Fisher project resulting in Taiga receiving a \$3,000,000 purchase payment; or
- (c) Immediately prior to completion of a corporate takeover, merger, amalgamation, capital reorganization or similar transaction resulting in a change of control of Taiga, or a sale of the property and assets of Taiga as or substantially as an entirety to any other party.

**March 31, 2019 and 2018**

---

## **7. Commitments and Contingencies - continued**

---

The Company is committed to incur exploration expenditures of \$264,784 by December 31, 2019 to meet the renouncement requirements from the issuance of flow-through shares in June 2018.

Per the Plan of Arrangement, the Company has agreed to issue shares upon the exercise of options and /or warrants in Eagle Plains on the basis of one Taiga share for every 2 Eagle Plains shares exercised. As at March 31, 2019, the total commitment is for 4,147,500 options exercisable at \$0.10 - \$0.30 with expiry dates of June 5, 2020 to February 19, 2023 and 2,217,000 warrants exercisable at \$0.40 and expiring February 7, 2020. The Company will receive a pro-rata share of the exercise proceeds from Eagle Plains.

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevent the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks association with such indemnification. The Company has included in officers' management contracts a change of control clause that would entitle them to compensation of twenty-four (24) months' salary or a lump sum payment as disclosed in their contract should such an event occur.

---

## **8. Capital Management**

---

The Company includes cash and cash equivalents and shareholders' equity, comprising of issued common shares and contributed surplus and deficit, in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the periods ended March 31, 2019 and 2018. The Company is not subject to externally imposed capital requirements.

---

## **9. Equity Instruments**

---

(a) Authorized

Unlimited number of common shares without nominal or par value.

Unlimited number of preference shares, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

(b) Issued and outstanding

At March 31, 2019, there were 61,274,050 (2018 – nil) shares outstanding.

(c) Stock Option Plan

The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price of options granted is not less than the market price of the common shares traded less the available discount under Canadian Securities Exchange policies, and is determined by the Board of Directors. Options granted can have a term of up to 10 years.

**March 31, 2019 and 2018**

**9. Equity Instruments - continued**

During the period ended March 31, 2019, the Company had the following stock option activities:

Total issued and outstanding	Number of Options	Option Price per Share Range	Weighted Average Exercise Price
Balance, December 31, 2018 and March 31, 2019	5,200,000	\$0.20	\$0.20
Balance, December 31, 2017 and March 31, 2018	-	\$ -	\$ -

At March 31, 2019, the following table summarized information about stock options outstanding:

Options Outstanding March 31, 2019	Exercise Price	Expiry Date	Number of Options Exercisable	Weighted Average Remaining Life
5,200,000	\$0.20	July 20, 2023	5,050,000	4.30 years

(d) Share-based payments for share options

During the period ended March 31, 2019, \$6,131 (2018 – \$nil) was recorded as share-based payments related to options vested during the period. Compensation expense has been determined based on the estimated fair value of the options at the grant dates and amortized over the vesting period. The Company valued the options using the Black Scholes model.

The Company valued the options vested in the period using the Black-Scholes model and the following weighted average assumptions:

Expected annual volatility	100.00%
Expected risk free rate	2.05%
Expected term	5 years
Expected dividends	-
Share price at date of grant	\$0.14
Exercise price	\$0.20

The Company was a newly listed public company so there was not enough history for a volatility calculation so 100% was determined to be reasonable for a junior mining company.

(e) Warrants outstanding

At March 31, 2019, the Company had 3,937,500 (2018 – nil) warrants outstanding exercisable at \$0.40 (2018 - \$nil) and expiring June 6, 2020. Their remaining life is 1.19 years.

**10. Per Share Amounts**

The calculation of per share amounts have been calculated based on the weighted average number of shares outstanding during the period ended March 31, 2019 of 61,274,050 shares (2018 – 1). The net effect of applying the treasury-stock method to the weighted average number of shares outstanding had anti-dilutive effect for the years ended March 31, 2019 and 2018.

**11. Subsequent Event**

On April 16, 2019, the Company closed the first tranche of a non-brokered private placement to arms-length and non-arms-

**March 31, 2019 and 2018**

---

**11. Subsequent Event - continued**

---

length investors which was comprised of 2,560,000 non-flow-through units for gross proceeds of \$204,800. Non-flow-through units were sold at a price of \$0.08 per unit, each unit consisting of a non-flow-through common share and one-half (1/2) non-flow-through common share purchase warrant, each whole warrant exercisable at \$0.12 for a 24-month period. The common share purchase warrants are subject to an accelerated expiry at the option of the Company if the published closing trade price of the common shares on the Canadian Securities Exchange ("CSE") is greater than or equal to \$0.50 for any 10 consecutive trading days, in which event the holder may be given notice that the warrants will expire 30 days following the date of such notice. The common share purchase warrants may be exercised by the holder during the 30 day period between the notice and the expiration of the common share purchase warrants.