NORAM VENTURES INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JANUARY 31, 2018 AND 2017

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Noram Ventures Inc.

We have audited the accompanying consolidated financial statements of Noram Ventures Inc., which comprise the consolidated statement of financial position as at January 31, 2018, and the consolidated statements of operations and comprehensive loss, cash flows and changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, 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.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Noram Ventures Inc. as at January 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Noram Ventures Inc.'s ability to continue as a going concern.

Other Matter

The consolidated financial statements of Noram Ventures Inc. for the year ended January 31, 2017 were audited by another auditor who expressed an unmodified opinion on those statements on May 30, 2017.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
May 30, 2018

An independent firm associated with Moore Stephens International Limited
MOORE STEPHENS

NORAM VENTURES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at January 31
(Expressed in Canadian Dollars)

		2018		2017
ASSETS				
Current assets				
Cash	$	152,356	$	119,989
GST receivable		12,044		12,382
Subscriptions receivable (note 5)		50,000		-
Prepaid expenses		-		16,158
		214,400		148,529
Equipment (note 3)		1,299		-
Reclamation bond		9,564		9,564
Exploration and evaluation assets (note 4)		987,331		2,725,663
Total assets	$	1,212,594	$	2,883,756
LIABILITIES				
Current liabilities				
Accounts payable (note 6)	$	40,744	$	114,604
Accrued liabilities		21,965		-
Total liabilities		62,709		114,604
SHAREHOLDERS' EQUITY				
Share capital (note 5)		7,957,949		5,540,936
Reserve (note 5)		904,031		1,183,938
Share subscriptions advanced (note 5)		10,000		-
Deficit		(7,722,095)		(3,955,722)
Total shareholders' equity		1,149,885		2,769,152
Total liabilities and shareholders' equity	$	1,212,594	$	2,883,756

Nature of operations and going concern (note 1)
Subsequent events (note 13)

Approved on behalf of the Board:

Director *"Art Brown"* *"Mark Ireton"*
Art Brown Mark Ireton

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

NORAM VENTURES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
For the year ended January 31
(Expressed in Canadian Dollars)

		2018		2017
EXPENSES				
Bank charges	$	1,241	$	4,447
Consulting fees (note 6)		161,500		262,312
Corporate communication		304,706		557,469
Filing and transfer agent fees		42,606		27,206
Depreciation (note 3)		264		-
Office and administrative		39,693		40,441
Professional fees (note 6)		70,336		150,521
Property investigation costs		114,791		21,311
Rent		8,203		45,954
Travel and promotion		63,995		60,307
Share based payments (note 5)		24,756		582,095
Loss before other item		(832,091)		(1,752,063)
Other items				
Interest and finance expense (note 6)		(164,310)		-
Loss on abandonment of mineral properties (note 4)		(2,769,972)		-
		(2,934,282)		-
Net and comprehensive loss	$	(3,766,373)	$	(1,752,063)
Basic and diluted loss per share (note 5)	$	(0.23)	$	(0.17)
Weighted average number of common shares outstanding		16,322,651		10,385,808

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

NORAM VENTURES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the year ended January 31
(Expressed in Canadian Dollars)

	2018	2017
Cash provided by (used in):		
Operating activities		
Loss for the year	$ (3,766,373)	$ (1,752,063)
Adjustments		
Depreciation	264	-
Share-based payments	24,756	582,095
Loss on abandonment of mineral property	2,769,972	-
Non-cash working capital items		
GST receivables	338	4,163
Prepaid expenses	16,158	(15,370)
Accounts payable and accrued liabilities	30,455	103,610
Net cash used in operating activities	(924,430)	(1,077,565)
Investing activities		
Equipment purchased	(1,563)	-
Reclamation bond	-	(9,564)
Exploration and evaluation expenditures	(176,640)	(1,227,527)
Net cash used in investing activities	(178,203)	(1,237,091)
Financing activities		
Shares issued for cash, net of share issue costs	1,135,000	2,428,709
Net cash provided by financing activities	1,135,000	2,428,709
Change in cash	32,367	114,053
Cash, beginning of the year	119,989	5,936
Cash, end of the year	$ 152,356	$ 119,989

Supplemental disclosure with respect to cash flows (note 10)

NORAM VENTURES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Number of Shares	Share capital	Share Subscriptions Advanced	Reserve	Deficit	Total
Balance at January 31, 2016	43,279,333	$ 2,485,354	$ -	$ 558,716	$(2,203,659)	$ 840,411
Shares issued for cash:						
non flow-through shares at $0.01 per unit (note 5)	50,000,000	500,000	-	-	-	500,000
for property acquisition at $0.065 per share (notes 4 and 5)	10,000,000	650,000	-	-	-	650,000
warrants exercised at $0.05 per share (note 5)	38,851,000	1,942,550	-	-	-	1,942,550
Share issue costs - cash finder fees (note 5)	-	(13,841)	-	-	-	(13,841)
Share issue costs - warrants issued as finder fees (note 5)	-	(43,127)	-	43,127	-	-
Shares issued for NSR payment (notes 4 and 5)	400,000	20,000	-	-	-	20,000
Share based payments (note 5)	-	-	-	582,095	-	582,095
Net and comprehensive loss	-	-	-	-	(1,752,063)	(1,752,063)
Balance at January 31, 2017	**142,530,333**	**5,540,936**	-	**1,183,938**	**(3,955,722)**	**2,769,152**
Shares issued:						
warrants exercised at $0.05 per share (note 5)	18,750,000	937,500	-	-	-	937,500
for property acquisition at $0.03 per share (notes 4 and 5)	28,500,000	855,000	-	-	-	855,000
options exercised at $0.05 per share (note 5)	4,750,000	542,163	-	(304,663)	-	237,500
for settlement of debt (note 5)	1,607,000	80,350	-	-	-	80,350
Share issue costs - finder fees adjusted	-	2,000	-	-	-	2,000
Subscriptions received (note 5)	-	-	10,000	-	-	10,000
Share based payments (note 5)	-	-	-	24,756	-	24,756
Net and comprehensive loss	-	-	-	-	(3,766,373)	(3,766,373)
Balance at January 31, 2018	196,137,333	$ 7,957,949	$ 10,000	$ 904,031	$(7,722,095)	$ 1,149,885

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

(Expressed in Canadian Dollars)

1. Nature of operations and going concern

Noram Ventures Inc. ("Noram" or the "Company") was incorporated on June 15, 2010 under the Business Corporations Act (British Columbia). The Company, through its wholly owned subsidiary, Green Energy Resources Inc., is in the business of acquiring, exploring and developing mineral exploration properties, primarily in the province of British Columbia, Canada and the state of Nevada, USA. The Company's shares are listed on the TSX Venture Exchange ("TSX-V")

The address of the Company's registered and records office is 304 - 700 Pender Street, Vancouver, BC.

The Company has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and exploration costs is dependent upon the existence of economically recoverable ore reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

These consolidated financial statements have been prepared using accounting principles applicable to a going concern which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of resource property expenditures is dependent upon several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral properties. The Company will need access to capital to continue advancing its properties. Additional financing is subject to the global financial markets and prevailing economic conditions. These factors will likely make it more challenging to obtain financing. These matters and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern.

These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities, or the impact on the statement of operations and comprehensive loss and financial position classifications that would be necessary were the going concern assumption not appropriate.

	January 31 2018	January 31 2017
Deficit	$ (7,722,095)	$ (3,955,722)
Working capital	$ 151,691	$ 33,925

2. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements. The Company did not adopt any new accounting standard changes or amendments effective February 1, 2017 that had a material impact on these consolidated financial statements.

The consolidated financial statements were approved by the Board of Directors of the Company on May 30, 2018.

Basis of Presentation

a) Statement of compliance

The consolidated financial statements of the Company and its subsidiary are prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value.

c) Functional and presentation currency

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

d) Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and related disclosure.

Judgment is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

Significant areas where management's judgment has been applied include:

- ***Asset Impairments***
  Indications of impairment and of reversal of impairment loss and recoverable amount:

  The assessment of indications of impairment loss and the reversal of an impairment loss and the measuring of the recoverable amount when impairment tests has been done involve judgment. If there is an indication of impairment or reversal of an impairment loss, an estimate of the recoverable amount of the asset or the cash generating unit is performed and an impairment loss or reversal of impairment loss is recognized to the extent that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is determined as the higher of its fair value less costs to sell and its value in use. The management determines for each property if there are any facts and circumstances indicating impairment loss or reversal of impairment losses. Facts and circumstances indicating impairment include, but are not limited to the following:

2. Significant accounting policies (continued)

d) Significant accounting judgments and estimates (continued)

a. the period for which the entity has the right to explore in a specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
b. substantive expenditure on further exploration for an evaluation of mineral resources in a specific area is neither budgeted nor planned;
c. exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
d. sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, management has to evaluate the recoverable amount of the asset or the cash-generating unit, and this requires management to make assumptions as to the future events or circumstances. The assumptions are based on the Company's exploration and evaluation program which consider whether results from exploration works justify further investments, the confirmation of the interest of the Company in the mining claims, the ability of the Company to obtain the necessary financing to complete the future development or if the disposal of the properties for proceeds is in excess of their carrying value.

- ***Going Concern***
  The Company's ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as, expectations of future events that are believed to be reasonable under the circumstances.

- ***Exploration and evaluation expenditures***
  The application of the Company's accounting policy for exploration and evaluation expenditures capitalized requires judgment in determining which expenditures are recognized as exploration and evaluation assets and applying the policy consistently. In making this determination, the Company considers the degree to which the expenditure can be associated with finding specific mineral resources.

- ***Deferred taxes***
  Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that probable that future taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax assets and unused tax losses can be utilized. In addition, the valuation of tax credits receivable requires management to make judgements on the amount and timing of recovery.

- ***Share-Based Compensation***
  The Company uses the fair value method of valuing compensation expense associated with the Company's share-based compensation plan whereby notional shares are granted to employees, board of directors and key consultants. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant.

2. Significant accounting policies (continued)

d) Significant accounting judgments and estimates (continued)

- **Decommissioning liabilities**
  The Company recognizes the liability for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of mineral properties, when those obligations result from the exploration or development of its properties. The Company assesses its provision for site reclamation at each reporting date. Significant estimates and assumptions are made in determining the provision for site reclamation as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to inflation rates, and discount rates. Those uncertainties may result in future actual expenditures differing from the amounts currently provided. The provision at the reporting date represents management's best estimate of the present value of the future reclamation costs required. As at January 31, 2018 and 2017, the Company has not recognized any decommissioning liabilities.

Basis of consolidation

These consolidated financial statements include the financial statements of the Company and its wholly owned subsidiary Green Energy Inc. ("Green Energy"), incorporated under the laws of the State of Nevada on May 10, 2016.

Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All inter-company balances and transactions have been eliminated in preparing the consolidated financial statements.

Foreign currencies

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the date of the relevant transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Translation gains and losses are included in income or expense of the period in which they occur. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The financial results and position of foreign operations whose functional currency is different from the Company's presentation currency are translated as follows:

- assets and liabilities are translated at period-end exchange rates prevailing at that reporting date; and
- income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income and recorded in the Company's foreign currency translation reserve in equity. These differences are recognized in the profit or loss in the period in which the operation is disposed.

2. Significant accounting policies (continued)

Financial Instruments

Financial assets

All financial assets are initially recorded at fair value and classified upon inception into one of the categories including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, or available for sale.

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss.

Financial assets classified as loans and receivables are measured at amortized cost.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in profit or loss.

The Company classifies cash as FVTPL and reclamation bonds as loans and receivables. Transactions costs associated with financial assets at FVTPL are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial liabilities

All financial liabilities are initially recorded at fair value and classified upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

The Company's accounts payable are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified in this category unless they are designated as hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in profit or loss.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less. There were no cash equivalents as at January 31, 2018 and 2017.

2. Significant accounting policies (continued)

Exploration and evaluation assets

The Company is in the exploration stage with respect to its investment in mineral interests. Accordingly, once a license to explore an area has been secured, the Company follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of exploration and evaluation assets and crediting all revenues received against the cost of the related interests. Such costs, include, but are not limited to, geological and geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable resources. The aggregate costs, related to abandoned exploration and evaluation assets are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition. The Company recognized as income any costs recovered on exploration and evaluation assets when amounts received or receivable are in excess of the carrying amount. Upon transfer of exploration and evaluation costs into mine development, all subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized within mine development. After production starts, all assets included in mine development costs are transferred to producing mines.

Asset retirement obligation

Provisions for the decommissioning, restoration and rehabilitation are recognized in other liabilities when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material. Upon initial recognition of the liability, the corresponding costs are added to the carrying amount of the related asset and amortized as an expense, using a systematic method, over the economic life of the asset. Following initial recognition of the asset retirement obligation, the carrying amount of the liability is adjusted annually for the passage of time and changes to the amount or timing of the underlying cash flows needed to settle the obligation. The Company performs evaluations to identify onerous contracts and, where applicable, records provisions for such contracts. The Company does not have any asset retirement obligation as January 31, 2018 and January 31, 2017.

Mining Tax Credit

Mining tax credits are recorded in the accounts when there is reasonable assurance that the Company has complied with, and will continue to comply with, all conditions needed to obtain the credits. These non-repayable mining credits are earned in respect to exploration costs incurred in British Columbia, Canada and are recorded as a reduction of the related exploration expenditures.

2. Significant accounting policies (continued)

Equipment

Equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive loss.

Depreciation is calculated on a declining balance basis to write off the cost of the assets to their residual values over their estimated useful lives. The depreciation rate applicable to computer equipment is 45%.

Impairment

Financial assets

Financial assets classified other than at fair value through profit or loss are assessed for impairment at each reporting date by determining whether there is objective evidence that indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset can be estimated reliably.

Non-financial assets

The Company reviews and evaluates its property, including exploration and evaluation assets, and equipment for indications of impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable or at least at the end of each reporting period. The asset's recoverable amount is estimated if an indication of impairment exists.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. 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. The cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. Future cash flows are estimated based on expected future production, commodity prices, operating costs and capital costs.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset. Impairment losses reducing the carrying value to the recoverable amount are recognized in profit and loss.

2. Significant accounting policies (continued)

Impairment (continued)

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Share issue costs

Professional, consulting, regulatory and other costs directly attributable to equity financing transactions are recorded as deferred share issue 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 share issue costs related to financing transactions that are not completed are charged to expenses.

Share Purchase Warrants

The Company bifurcates units consisting of common shares and share purchase warrants using the residual value approach whereby it first measures the common share component of the unit at fair value using market prices as input values and then allocates any residual amount to the warrant component of the unit. The residual value of the warrant component is recorded in reserves. When warrants are exercised, the corresponding residual value is transferred from reserves to share capital.

Share based payments

The Company's Stock Option Plan allows directors, officers and consultants to acquire shares of the Company in exchange for the options exercised. The fair value of share options granted to employees is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

Share based payments to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

The fair value of warrants issued to agents in connection with private placements ("Agent Warrants") is recognized on the date of issue as a share issue cost. The Company uses the Black-Scholes Option Pricing Model to estimate the fair value of Agent Warrants issued.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes Option Pricing Model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest based on estimate of forfeiture rate.

2. Significant accounting policies (continued)

Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury method. The treasury method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate. Diluted loss per share is equal to the basic loss per share as the outstanding options and warrants are anti-dilutive.

Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized 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. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination and that does not affect either accounting or taxable income or loss. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods noted below. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

2. Significant accounting policies (continued)

New accounting standards issued but not yet effective (continued)

(i) IFRS 9 Financial Instruments

This is a finalized version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39. The standard contains requirements in the following areas:

- Classification and measurement - Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39, however there are differences in the requirements applying to the measurement of an entity's own credit risk.
- Impairment - The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized.
- Hedge accounting - Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
- Derecognition - The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018. The Company has determined that IFRS 9 will not have a material impact on the consolidated financial statements.

(ii) IFRS 16 Leases

On January 13, 2016, the International Accounting Standards Board published a new standard, IFRS 16, Leases, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Under the new standard, a lease becomes an on-balance sheet liability that attracts interest, together with a new right-of-use asset. In addition, lessees will recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted. The Company has determined that IFRS 16 will not have a material impact on the consolidated financial statements.

(Expressed in Canadian Dollars)

3. Equipment

The following table summarizes the changes in the Company's equipment for the years ended January 31, 2018 and 2017:

		Computer Equipment
Cost		
Balance, Jan 31, 2017	$	-
Additions		1,563
Balance, Jan 31, 2018	**$**	**1,563**
Accumulated Depreciation		
Balance, Jan 31, 2017	$	-
Depreciation for the year		264
Balance, Jan 31, 2018	**$**	**264**
Net Book Value		
Balance, Jan 31, 2018	**$**	**1,299**

4. Exploration and evaluation assets

The Company has interests in four mineral properties located in British Columbia, California and Nevada, USA and Argentina as at January 31, 2018. A summary of the capitalized acquisition and exploration expenditures on the Company's exploration and evaluation assets for the years ending January 31, 2018 and 2017 are as follows:

	Jumbo Claims	Clayton Valley Claims	Hector Lode Claims	Arizaro East Claims	Total
Balance, Jan 31 2016	$ 828,136	$ -	$ -	$ -	$ 828,136
Acquisition costs	75,000	125,480	782,303	-	982,783
Exploration costs	1,650	1,074,194	-		1,075,844
Advanced NSR payments	20,000	-	-		20,000
Option to purchase	-	(181,100)	-	-	(181,100)
Balance, Jan 31 2017	**924,786**	**1,018,574**	**782,303**	**-**	**2,725,663**
Acquisition costs	-	-	-	1,042,380	1,042,380
Exploration costs	(3,122)	42,657	-	23,625	63,160
Option to purchase	-	(73,900)	-	-	(73,900)
Impairment	(921,664)	-	(782,303)	(1,066,005)	(2,769,972)
Balance, Jan 31 2018	$ **-**	$ **987,331**	$ **-**	$ **-**	$ **987,331**

(Expressed in Canadian Dollars)

4. Exploration and evaluation assets (continued)

Jumbo Claims, Slocan Mining Division, British Columbia

The Company entered into an option agreement dated August 23, 2012 (as amended on May 15, 2014 and February 26, 2015), to acquire a 100% interest in 22 mining claims located near Nakusp, British Columbia, and received TSX-V approval on August 29, 2012 ("effective date"). The purchase price for the 100% interest is payable by the Company with cumulative payments totaling $205,000 and the issuance of an aggregate 1,400,000 shares of the Company's common stock, as follows:

Date	Cash	Shares
Upon signing (paid)	$ 20,000	-
Within 3 business days of the effective date, (paid and issued)	$ 10,000	500,000
First anniversary after effective date, (paid and issued)	$ 50,000	350,000
On or before June 15, 2014 (paid and issued)	$ 20,000	275,000
On or before August 29, 2014 (issued)	-	275,000
On or before February 28, 2015 (paid)	$ 15,000	-
Upon the Company acquiring additional funds (paid)	$ 15,000	-
On or before February 28, 2016 (paid)	$ 75,000	-
	$ 205,000	1,400,000

These claims are also subject to a 3% Net Smelter Return Royalty payable to the Optionor, one third of which can be acquired from the Optionor at a purchase price of $1,000,000. The terms of the Net Smelter Royalty ("NSR") also provide that commencing 36 months after the effective date, minimum annual payment payable to the Optionor pursuant to the NSR Royalty will be $20,000.

On February 28, 2016, the Company entered into Addendum III, to amend the Agreement and the two previous amendments of May 13, 2014 and February 26, 2015. Pursuant to Addendum III, the final cash option payment of $75,000 payable on or before February 28, 2016 and the $20,000 annual NSR Royalty payment due August 29, 2015 have been amended to the following:

- $10,000 per month commencing on March 15, 2016 and paid monthly until the $75,000 is paid (the amount has been fully paid);

- Subject to regulatory acceptance, the issuance of 400,000 shares of the Company at a deemed price of $0.05 per share in settlement of the $20,000 annual NSR Royalty payment outstanding (issued on April 30, 2016) (Note 5), with the shares being restricted from trading for a period of one year from their date of issue; and

- Forgiveness of the second annual NSR Royalty payment of $20,000 due August 29, 2016, with the next annual NSR Royalty payment now due August 29, 2017.

On April 10, 2018, the Company announced that it allowed the Jumbo Claims to lapse; therefore impairment of $921,664 was recognized for the year ended January 31, 2018.

4. Exploration and evaluation assets (continued)

Clayton Valley, Nevada

The Company entered into an agreement to acquire mineral claims in Clayton Valley, Nevada. The Company paid USD$ 100,000 ($125,480) for the mineral claims, by way of a promissory note to the vendor and a NSR of 2.5%. The promissory note and all accrued interest at the rate of 8% per annum is due on or before April 27, 2017. The definitive agreement and transfer of tenure closed on April 27, 2016.

The Company has since acquired additional claims, by way of staking.

On February 8, 2017, the Company entered into a definitive property option agreement (the “Option Agreement”) with Alba Minerals Ltd. (“Alba”), whereby Alba can acquire lithium claims at Clayton Valley, Nevada and the Hector Lode lithium claims in San Bernardino County California.

In order to keep the Option Agreement in good standing and in force and effect, Alba shall:

a) Make mandatory payments in the aggregate amount of $255,000 (received) to Green Energy on completion of the drilling program in Clayton Valley, to earn a 25% interest in the Claims. For greater certainty, this payment is an obligation of Alba and not optional and upon payment of the said amount Alba will become the owner of the said 25% interest without having to give Exercise Notice;

b) Make a second payment of $200,000 to Green Energy on or before March 30, 2017 or at such time as the National Instrument 43-101 Technical Report on drilling results is completed, whichever is later, in order to earn an additional 5% for a total 30% interest in the claims (not paid);

c) Make a third payment of $200,000 to Green Energy on or before May 30, 2017, in order to earn an additional 5% for a total 35% interest in the claims (not paid);

d) Make a fourth payment of $289,500 to Green Energy on or before August 25, 2017, in order to earn an additional 10% for a total 45% interest in the claims (not paid); and

e) Make a fifth payment of $155,500 to Green Energy and issue an aggregate of 1,000,000 common shares in the capital of Alba (the “Alba Shares”) to the Company on or before November 30, 2017, in order to earn and additional 5% for a total and maximum 50% interest in the claims (not paid).

On January 11, 2018, the Company announced that it has re-negotiated the terms of the Option Agreement. Alba will earn an additional 25% interest for a cash consideration of $350,000 payable to Green Energy who will then be a 50% joint venture partner on the Clayton Valley Lithium Project.

On May 28, 2018, the Company entered into a property purchase agreement with Alba, subject to TSX-V approval, whereby the Company will repurchase the 25% interest Alba earned in the Clayton Valley claims for consideration of the issuance of 3,800,000 common shares at payment of $400,000 (Note 13).

Hector Lode mineral claims, San Bernadino County, California, US

On September 14, 2016 the Company acquired claims in San Bernadino County, California, US by paying USD$100,000 ($132,303) and issuing 10 million common shares to the vendor with a fair value of $0.065 per share (Note 5).

4. Exploration and evaluation assets (continued)

Hector Lode mineral claims, San Bernadino County, California, US (continued)

During the year ended January 31, 2018, management abandoned Hector Lode mineral claims. The aggregate costs related to the abandoned exploration and evaluation assets in the amount of $782,303 were charged to operations.

Arizaro East mineral claims, Province of Salta, Argentina

On July 26, 2017, the Company signed a property option agreement to acquire the Arizaro East Claims in the Province of Salta, Argentina. In keeping with the terms of the option agreement, the Company issued 28,500,000 common shares, at a fair value of $0.03 per share equaling $855,000, to earn a 90% interest in the property and can earn the remaining 10% by making a payment of US$150,000 on or before July 31, 2018 (Note 5). On August 25, 2017, the Company paid US$150,000 for the remaining 10% interest of Arizaro East Mineral Claims.

During the year ended January 31, 2018, the Company recognized impairment of $1,066,005 on the Arizaro East property due to less than favourable results; however the Company intends to continue exploring these claims.

5. Share Capital

a) Authorized: Unlimited number of common shares with no par value

b) Issued and Outstanding

On April 6, 2016, the Company issued 400,000 common shares for property option payments at fair value of $0.05 per share as part payment for the acquisition of the Jumbo claims (Note 4).

On April 19, 2016, the Company issued 50,000,000 units pursuant to a non-brokered private placement at $0.01 per unit for gross proceeds in the amount of $500,000. Each unit consists of one common share and one non-transferable share purchase warrant. Each warrant entitles the holder to purchase one common share at the price of $0.05 until April 19, 2018. As the unit was issued at a price lower than the market trading price on April 19, 2016 $nil was allocated to reserve as fair value for the warrants under the residual value method. The Company paid a finder's fee of $13,841 in cash and 1,312,000 non-transferrable warrants with a fair value of $43,127. Each warrant is exercisable into one common share at a price of $0.05 until April 19, 2018.

On September 30, 2016, the Company issued 10,000,000 common shares with a fair value of $0.065 as part payment for the acquisition of the Hector Lode mineral claims (Note 4).

During the year ended January 31, 2017, the Company issued 38,851,000 common shares pursuant to the exercise of warrants at price of $0.05 per share for a total consideration of $1,942,550.

On July 19, 2017 the Company issued 28,500,000 common shares for property option payments for Arizaro East mineral claim to earn a 90% interest at fair value of $0.03 per share for a total fair value of $855,000 (Note 4).

During the year ended January 31, 2018, the Company issued 18,950,000 common shares pursuant to the exercise of warrants at a price of $0.05 per share for gross proceeds of $937,500.

5. Share capital (continued)

During the year ended January 31, 2018, the Company issued 4,750,000 common shares pursuant to the exercise of options at a price of $0.05 per share for gross proceeds of $237,500. An amount of $304,663 was transferred from reserves to share capital upon exercise of these options. As at January 31, 2018, the Company has subscriptions receivable of $50,000 related to these options exercised, which was received subsequent to year end.

On January 4, 2018, the Company entered into settlement agreements with various creditors, pursuant to which the Company settled an aggregate of $80,350 of debt in consideration for the issuance of an aggregate of 1,607,000 common shares of the Company at a price of $0.05 per share.

As at January 31, 2018, advances of $10,000 have been received for warrants exercised subsequent to year end (Note 13).

Subsequent to year end, on March 2, 2018, the Company consolidated its shares on the basis of one new, post-consolidated share for every 10 old, pre-consolidated shares (Note 13). The weighted average number of common shares and loss per share figures have been adjusted to reflect this share consolidation. All other share and per share amounts in these financial statements are presented on a pre-consolidation basis.

c) Stock Options

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option will not be less than the discounted market price of the common shares as permitted by the TSX Venture Exchange policies. The options can be granted for a maximum term of 5 years.

On June 20, 2016, the Company granted 7,250,000 incentive stock options to directors, officers and consultants, vesting immediately on the date of the grant, and exercisable on or before June 20, 2018 at a price of $0.07 per share. The exercise price of the stock options was revised to $0.05 on June 6, 2017.

On July 20, 2016, the Company granted 1,250,000 incentive stock options to directors and officers, vesting immediately on the date of the grant, and exercisable on or before July 20, 2018 at a price of $0.07 per share. The exercise price of the stock options was revised to $0.05 on June 6, 2017.

On July 28, 2016, the Company granted 1,000,000 incentive stock options to a director, vesting immediately on the date of the grant, and exercisable on or before July 28, 2018 at a price of $0.105 per share. The exercise price of the stock options was revised to $0.05 on June 6, 2017.

During the year ended January 31, 2018, the Company recognized share based payment expense of $24,756 for the incremental fair value of stock options repriced on June 6, 2017 (Note 6).

During the year ended January 31, 2017, the Company recognized share based payment expense of $582,095.

(Expressed in Canadian Dollars)

5. Share capital (continued)

c) Stock Options (continued)

The fair value of options granted during the years ended January 31, 2018 and 2017 has been estimated as at the date of grant using the Black-Scholes Option Pricing Model using following weighted average assumptions:

	January 31, 2018	January 31, 2017
Risk-free interest rate	*0.64%*	*0.56% to 0.60%*
Expected dividend yield	*0%*	*0%*
Share price volatility	*134.01%*	*261.73% to 278.92%*
Expected life of options	*1 year*	*2 years*

A summary of stock option activity is as follows:

	2018		2017	
	Number of Options Exercisable	Weighted average exercise price	Number of Options	Weighted average exercise price
Outstanding - beginning of year	10,600,000	$ 0.074	2,170,000	$ 0.090
Exercised during the year	(4,750,000)	$ 0.050	-	$ -
Options granted, expiring June 30, 2018	-	$ -	7,250,000	$ 0.070
Options granted, expiring July 20, 2018	-	$ -	1,250,000	$ 0.070
Options granted, expiring July 28, 2018	-	$ -	1,000,000	$ 0.070
Expired and cancelled during the year	-	$ -	(270,000)	$ 0.150
Expired during the year	-	$ -	(100,000)	$ 0.180
Expired during the year	-	$ -	(500,000)	$ 0.050
Expired during the year	-	$ -	(200,000)	$ 0.200
Outstanding - end of year	5,850,000	$ 0.054	10,600,000	$ 0.074

The Company has the following options outstanding and exercisable:

Number of Options	Weighted Average Exercise Price	Weighted Average remaining contractual life	Expiry Date
200,000	$ 0.18	0.37 year	June 18, 2018
4,500,000	$ 0.05	0.37 year	June 20, 2018
250,000	$ 0.05	0.46 year	July 20, 2018
900,000	$ 0.05	1.79 year	November 11, 2019
5,850,000	$ 0.054	0.60 year	

(Expressed in Canadian Dollars)

5. Share capital (continued)

d) Warrants

Details of common share purchase warrants outstanding at January 31, 2018 are as follows:

	2018			2017		
	Number of Warrants Exercisable		Weighted average exercise price	Number of Warrants		Weighted average exercise price
Outstanding - beginning of year	38,881,000	$	0.06	28,200,833	$	0.07
Warrants exercised	(18,750,000)	$	0.05	(38,851,000)	$	0.05
Warrants expired	(6,100,000)	$	0.05	(1,780,833)	$	0.25
Warrants granted, expiring April 19, 2018	-	$	-	50,000,000	$	0.05
Warrants granted, expiring April 19, 2018	-	$	-	1,312,000		0.05
Outstanding - end of year	14,031,000	$	0.07	38,881,000	$	0.06

As at January 31, 2018, the following share purchase warrants were outstanding:

Number of Warrants Exercisable		Weighted Average Exercise Price	Weighted Average remaining contractual life	Expiry Date
9,161,000	$	0.05	0.21 year	April 19, 2018*
4,870,000	$	0.10	0.42 year	June 26, 2018**
14,031,000	$	0.07	0.28 year	

* Of these options, 700,000 were exercised in February 2018 (Note 13) and 8,461,000 expired unexercised on April 19, 2018.
** The term of these warrants have been extended from June 26, 2016 to June 26, 2018.

e) Loss per share

Subsequent to January 31, 2018, the Company completed the consolidation of its common shares on the basis of one post-consolidation common share for every 10 pre-consolidation common shares (Note 13). Share figures and references have not been retroactively adjusted except weighted average common shares related to the loss per share calculation.

f) Reserve

Reserves record items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

6. Related Party Transactions

During the fiscal year ended January 31, 2018, the Company has the following related party transactions:

a) The Company paid or accrued consulting fees in the amount of $95,000 (2017: $60,000) to a CEO of the Company.

b) The Company paid or accrued $5,650 (2017: $12,500) to a director and CFO for accounting services. As at January 31, 2018, $525 (2017 - $Nil) is included in accounts payable.

c) Recorded share based compensation of $17,981 (2017 - $522,526) of share based compensation to directors and officers (Note 5).

d) On August 24, 2017, the Company received a loan of $200,000, of which $150,000 was from related parties and $50,000 was from a third party. The loan will bear interest at 12.5% per annum and a bonus of 12.5% will be paid to the parties. Interest expense of $32,308 was accrued during the year ended January 31, 2018 (2017 - $Nil). The principal, accrued interest and bonuses were repaid on January 18, 2018.

e) On August 24, 2017, the Company received a loan of USD$150,000, of which USD$55,500 was from a related party and USD$94,500 was from third parties. The loan will bear interest at 20% per annum and a bonus of USD$66,666 will be paid to the parties. Interest expense of $99,105 was accrued during the year ended January 31, 2018 (2017 - $Nil). The principal, accrued interest and bonuses were repaid January 18, 2018.

f) On November 6, 2017, the Company received a loan of $120,000, of which $90,000 was from related parties and $30,000 was from a third party. The loan will bear interest at 12.5% per annum and a bonus of 12.5% will be paid to the parties. Interest expense of $33,000 was accrued during the year ended January 31, 2018 (2017 - $Nil). The principal, accrued interest and bonuses were repaid January 18, 2018.

e) The Company paid or accrued consulting fees in the amount of $66,500 (2016: $17,000) to the former Vice President of Business Development of the Company.

Key management compensation includes management fees of $95,000 (2017: $60,000) and accounting fees of $5,650 (2017: $12,500) paid to the CEO and CFO of the Company, respectively.

These transactions are in the normal course of operations on normal commercial terms and conditions and at market rates, which is the amount of consideration established and agreed to by the related parties.

7. Financial Instruments

The Company classifies its fair value measurements in accordance with the three level fair value hierarchies as follows:

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

(Expressed in Canadian Dollars)

7. Financial Instruments (continued)

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

The Company's financial instruments include cash, reclamation bond, and accounts payable. The carrying amounts of cash, reclamation bond and accounts payable approximate their fair values because of the short term nature of these instruments.

The following table summarizes the carrying values of the Company's financial instruments:

	January 31, 2018	January 31, 2017
	$	$
Financial assets at fair value through profit or loss (i)	161,920	129,553
Other financial liabilities (ii)	40,744	114,604

(i) Cash and reclamation bond
(ii) Accounts payable

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

Cash	Level 1	Level 2	Level 3	Total
	$	$	$	$
As at January 31, 2017	119,989	-	-	119,989
As at January 31, 2018	152,356	-	-	152,356

8. Financial risk management objectives and policies

The risks associated with financial instruments and the policies on how to mitigate these risks are set out below. Management monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk is the risk of financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash and reclamation bond are subject to credit risk for a maximum of the amounts shown on the statements of financial position. The Company limits its exposure to credit risk on cash by depositing only with reputable financial institutions.

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's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The Company uses cash to settle its financial obligations as they fall due. The ability to do this relies on the Company maintaining sufficient cash on hand through debt or equity financing. Liquidity risk is assessed a high.

8. Financial risk management objectives and policies (continued)

Significant commitments in years subsequent to January 31, 2018 are as follows:

	Carrying value	Contractual Cash flows	Within 1 Year	1 – 5 Years
	$	$	$	$
Accounts payable	40,744	40,744	40,744	-

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company believes it has not significant foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no interest-bearing debt as at January 31, 2018. The Company believes it has no significant interest rate risk.

9. Capital management

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 has historically relied on the equity markets to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts 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.

The capital structure of the Company consists of shareholder's equity, comprising issued capital and deficit. The Company is not exposed to any externally imposed requirements. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

(Expressed in Canadian Dollars)

10. Supplemental disclosure with respect to cash flows

During the fiscal year ended January 31, 2018:

- The Company issued 28,500,000 common shares pursuant to property acquisition at a price of $0.03 per share (Note 4).

During the fiscal year ended January 31, 2017:

- The Company issued 400,000 common shares with a fair value of $20,000 pursuant to advanced NSR payments (Note 4).
- The Company issued 10,000,000 common shares with a fair value of $650,000 pursuant to a property claims acquisition (Note 4).

11. Income taxes

The following table reconciles the expected income tax expenses (recovery) at the Canadian statutory income tax rates to the amounts recognized in the consolidated statements of operations and comprehensive loss for the years ended January 31, 2018 and 2017:

	2018	2017
Loss before income taxes	$ (3,766,373)	$ (1,752,063)
Statutory income tax rate	26.00%	26.00%
Expected income tax (recovery)	(979,257)	(455,536)
Increase in income taxes resulting from:		
Non-deductible items	23,979	154,001
Change in tax benefits not recognized	955,278	301,535
Income tax recovery	$ -	$ -

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax values. The unrecognized deductible temporary differences at January 31, 2018 and 2017 are as follows:

	2018	2017
Non-capital losses available for future period	$ 839,857	$ 588,466
Financing costs	2,159	12,924
Other	138	138
Exploration and evaluation assets	709,067	(5,585)
Valuation allowance	(1,551,221)	(595,943)
Deferred income tax asset	$ -	$ -

(Expressed in Canadian Dollars)

11. Income Taxes (continued)

The unrecognized deductible temporary differences at January 31, 2018 and 2017 are as follows:

	2018	2017
Financing costs	$ 8,305	$ 49,708
Cumulative eligible capital	532	532
Non-capital losses	3,230,219	2,263,330
Exploration and evaluation assets	2,727,182	(21,481)
Total unrecognized deductible temporary differences	$ 5,966,238	$ 2,292,089

As at January 31, 2018, the Company has not recognized a deferred tax asset in respect of non-capital losses available of approximately $3,230,219 (2017 - $2,263,330) which may be carried forward to apply against future income for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

	$
2031	28,655
2032	44,557
2033	274,742
2034	308,371
2035	253,886
2036	222,903
2037	1,151,695
2038	945,410
	3,230,219

12. Segmented information

The Company operates in one reportable segment, being the identification, acquisition and exploration of mineral interests in Canada, Argentina and the USA.

13. Subsequent events

In February 2018, the Company issued 1,000,000 common shares upon exercise of stock options at $0.05 for proceeds of $50,000 and issued 700,000 common shares upon exercise of warrants at $0.05 for proceeds of $35,000 (Note 5).

Effective March 2, 2018, the TSX-V approved a 10 for 1 share consolidation of the Company's common shares. Following completion of the share consolidation, the Company has approximately 19,800,000 common shares outstanding (Note 5).

On May 18, 2018, the Company granted 1,900,000 stock options to directors, officers and consultants of the Company, which are exercisable at $0.18 for a period of 10 years until May 18, 2028.

On May 28, 2018, the Company entered into a property purchase agreement with Alba, whereby the Company will repurchase the 25% interest Alba earned in the Clayton Valley claims (Note 4).