



ORESTONE MINING CORP.
(An Exploration Stage Company)

**Condensed Consolidated Interim Financial Statements
(Unaudited)**

**For the three months ended
April 30, 2018**

Orestone Mining Corp.
Suite 407 – 325 Howe Street
Vancouver, British Columbia, Canada V6C 1Z7

Trading Symbol: ORS
Telephone: 604-629-1929



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**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In accordance with National instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

ORESTONE MINING CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	April 30, 2018	January 31, 2018
		(Unaudited)	(Audited)
ASSETS			
Current			
Cash		\$ 77,543	\$ 106,882
Marketable securities	4	82	93
Receivables		1,212	1,057
		<u>78,837</u>	<u>108,032</u>
Non-current			
Exploration and evaluation assets	5	1,391,088	1,386,756
Reclamation bonds	5	29,000	29,000
		<u>1,420,088</u>	<u>1,415,756</u>
		<u>\$ 1,498,925</u>	<u>\$ 1,523,788</u>
LIABILITIES			
Current			
Trade and other payables	8	\$ 147,955	\$ 106,041
SHAREHOLDERS' EQUITY			
Share capital	6	6,244,948	6,244,948
Reserves	6	1,576,141	1,563,202
Deficit		(6,470,119)	(6,390,403)
		<u>1,350,970</u>	<u>1,417,747</u>
		<u>\$ 1,498,925</u>	<u>\$ 1,523,788</u>

Nature of Operations and Going Concern (Note 1)
Events After the Reporting Period (Note 11)

These consolidated financial statements are authorized for issue by the Board of Directors on June 28, 2018. They are signed on the Company's behalf by:

“David Hottman”

David Hottman, Director

“Gary Nordin”

Gary Nordin, Director

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

ORESTONE MINING CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED APRIL 30
(Expressed in Canadian dollars; Unaudited)

	Note	2018	2017
Expenses			
Depreciation		\$ -	\$ -
Filing fees		7,560	6,109
Investor relations		484	2,180
Office, rent and miscellaneous	8	7,816	3,295
Project search		23,733	420
Professional fees	8	9,393	3,250
Salaries and benefits	8	17,791	18,045
Share-based payments	8	12,939	-
		<u>79,716</u>	<u>33,299</u>
Net loss before income taxes		<u>79,716</u>	<u>33,299</u>
Total comprehensive loss for the period		<u>\$ 79,716</u>	<u>\$ 33,299</u>
Basic and diluted loss per share		<u>\$ 0.01</u>	<u>\$ 0.00</u>
Weighted average number of common shares outstanding		<u>11,546,108</u>	<u>7,554,441</u>

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

ORESTONE MINING CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Number of shares	Share capital	Reserves				Total shareholders' equity
			Warrants	Agent's Warrants	Share-based payments	Deficit	
Balance as at January 31, 2017 (Audited)	7,554,441	\$ 6,148,828	\$ 731,413	\$ 98,399	\$ 566,122	\$ (6,174,273)	\$ 1,370,489
Net loss and comprehensive loss	-	-	-	-	-	(33,299)	(33,299)
Balance as at April 30, 2017 (Unaudited)	7,554,441	6,148,828	731,413	98,399	566,122	(6,207,572)	1,337,190
Shares issues:							
Private placement	3,991,667	114,835	124,665	-	-	-	239,500
Share issuance costs	-	(18,715)	-	-	-	-	(18,715)
Share-based payments	-	-	-	-	42,603	-	42,603
Net loss and comprehensive loss	-	-	-	-	-	(182,831)	(182,831)
Balance as at January 31, 2018 (Audited)	11,546,108	6,244,948	856,078	98,399	608,725	(6,390,403)	1,417,747
Share-based payments	-	-	-	-	12,939	-	12,939
Net loss and comprehensive loss	-	-	-	-	-	(79,716)	(79,716)
Balance as at April 30, 2018 (Unaudited)	11,546,108	\$ 6,244,948	\$ 856,078	\$ 98,399	\$ 621,664	\$ (6,470,119)	\$ 1,350,970

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

ORESTONE MINING CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED APRIL 30
(Expressed in Canadian dollars; Unaudited)

	Note	2018	2017
Cash provided by (used for):			
Operating activities			
Net loss		\$ (79,716)	\$ (33,299)
Items not involving cash:			
Share-based payments		12,939	-
Loss on revaluation of marketable securities	4	11	-
Changes in non-cash working capital items:			
Receivables		(155)	26,979
Trade and other payables		41,914	28,773
Cash (used in) provided by operating activities		(25,007)	22,453
Investing activities			
Exploration and evaluation assets	5	(4,332)	(7,670)
Cash (used in) investing activities		(4,332)	(7,670)
Net (decrease) increase in cash		(29,339)	14,783
Cash - beginning of the period		106,882	1,485
Cash - end of the period		\$ 77,543	\$ 16,268
<i>Supplemental disclosure with respect to cash flows:</i>			
Exploration and evaluation assets in trade and other payables		\$ 22,099	\$ 22,099

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

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Orestone Mining Corp. (the “Company” or “Orestone”) was incorporated under the Business Corporations Act (British Columbia) on April 30, 2007 and its principal business activity is the acquisition and exploration of mineral properties. The address of the Company’s registered and head office is 19th Floor, 885 West Georgia Street, Vancouver, BC V6C 3H4. The Company’s shares are listed on the TSX Venture Exchange and trade under the symbol “ORS”.

On August 29, 2017, the Company completed a five for one share consolidation (*see Note 6b*). All references to number of shares and per share amounts have been retroactively restated to reflect the consolidation.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to raise adequate financing to develop its exploration and evaluation assets, and to commence profitable operations in the future. To date, the Company has not generated any significant revenues and is considered to be in the exploration stage. These uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

Management’s plan includes continuing to pursue additional sources of financing through equity offerings, seeking joint venture partners to fund exploration, monitoring exploration activity and reducing overhead costs. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the consolidated financial statements of financial position. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that may be necessary should the Company be unable to continue in existence.

	April 30, 2018	January 31, 2018
Deficit	\$ (6,470,119)	\$ (6,390,403)
Working capital (deficiency)	\$ (69,118)	\$ 1,991

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance and compliance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION, (continued)

(b) Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for marketable securities classified and measured at fair value through profit or loss. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of these condensed consolidated interim financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

These condensed consolidated interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.

3. SIGNIFICANT ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended January 31, 2018.

These unaudited condensed consolidated interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended January 31, 2018. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the three-month period ended April 30, 2018 are not necessarily indicative of the results that may be expected for the current fiscal year ending January 31, 2019.

a) Adoption of IFRS 9 – Financial Instruments

On February 1, 2018, the Company adopted IFRS 9 in accordance with the transitional provisions of the standard. IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value, replacing the multiple rules in IAS 39, Financial Instruments: Recognition and Measurement. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, the Company made an irrevocable election upon initial recognition for equity instruments existing at February 1, 2018 and previously classified as available-for-sale, to satisfy the conditions for classification as fair value through profit or loss ("FVPL"). In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated. The change did not impact the carrying value of any of the Company's financial assets on the transition date.

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements
For the three months ended April 30, 2018
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES, (Continued)

a) Adoption of IFRS 9 – Financial Instruments, (continued)

The impact on the balance sheet from the change relating to IFRS 9 has been summarized below.

We have assessed the classification and measurement of our financial assets and financial liabilities under IFRS 9 as follows:

	IAS 39	IFRS 9
Financial Assets		
Cash	Amortized cost	Amortized cost
Accounts Receivable	Amortized cost	Amortized cost
Marketable securities	Available-for-Sale	Fair value through profit or loss
Deposits and receivables	Amortized cost	Amortized cost
Financial Liabilities		
Trade and other payables	Amortized cost	Amortized cost

The classification of financial assets is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset. Transaction costs with respect to financial instruments classified as fair value through profit or loss are recognized in the consolidated statements of comprehensive income or loss.

4. MARKETABLE SECURITIES

April 30, 2018	Shares	Cost	Fair Market Value
Millrock Resources Inc.	333	\$ 75	\$ 82

January 31, 2018	Shares	Cost	Fair Market Value
Millrock Resources Inc.	333	\$ 75	\$ 93

5. EXPLORATION AND EVALUATION ASSETS

Captain Property

The Company owns a 100% interest in certain mineral claims comprising the Captain Property located near Fort St. James, British Columbia.

As at April 30, 2018, the Company issued a \$29,000 (January 31, 2018 - \$29,000) reclamation bond to the Ministry of Energy, Mines and Petroleum Resources of British Columbia to guarantee reclamation of the environment on the Captain Property.

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS, (Continued)

Captain Property, (Continued)

	January 31,		January 31,		April 30,
	2017	Additions	2018	Additions	2018
Captain Property					
Acquisition costs	\$ 276,117	\$ 6,560	\$ 282,677	\$ 4,332	\$ 287,009
Deferred exploration costs					
Assays	41,818	-	41,818	-	41,818
Drilling	734,877	1,500	736,377	-	736,377
Geological	392,470	5,000	397,470	-	397,470
Geophysical	176,068	1,324	177,392	-	177,392
Surveying	40,846	-	40,846	-	40,846
Other	1,061	1,938	2,999	-	2,999
	1,387,140	9,762	1,396,902	-	1,396,902
Mining exploration tax credit	(278,186)	(14,637)	(292,823)	-	(292,823)
	\$ 1,385,071	\$ 1,685	\$ 1,386,756	\$ 4,332	\$ 1,391,088

6. SHARE CAPITAL

a. Authorized

There are an unlimited number of common shares without par value.

b. Share consolidation

On August 29, 2017, the Company consolidated its share capital on the basis of one new share for every 5 old shares. All references to the number of shares and per share amounts have been retroactively restated to reflect the consolidation

c. Share purchase option compensation plan

The Company has adopted an incentive share option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX Venture Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the common shares to be outstanding at closing. Such options will be exercisable for a period of up to 5 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares.

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

6. SHARE CAPITAL, (Continued)**c. Share purchase option compensation plan, (Continued)**

The continuity of options is as follows:

Expiry date	Exercise price (\$)	January 31, 2017	Issued	Expired / cancelled	January 31, 2018	Issued	Expired / cancelled	April 30, 2018
October 26, 2017	0.75	371,000	-	(371,000)	-	-	-	-
June 28, 2018 ^(a)	0.50	125,000	-	(25,000)	100,000	-	(75,000)	25,000
October 7, 2018 ^(b)	0.50	30,000	-	-	30,000	-	-	30,000
November 22, 2018 ^(c)	0.15	-	785,000	-	785,000	-	(220,000)	565,000
April 28, 2023	0.15	-	-	-	-	400,000	-	400,000
Options outstanding		526,000	785,000	(396,000)	915,000	400,000	(295,000)	1,020,000
Options exercisable		526,000	196,250	-	326,250	100,000	-	437,500
Weighted average exercise price (\$)		\$ 0.68	\$ 0.15	\$ 0.73	\$ 0.20	\$ 0.15	\$ 0.24	\$ 0.17

(a) Subsequently, 10,000 options expired

(b) Subsequently, 30,000 options expired

(c) Subsequently, 180,000 options expired

25% of the share purchase options issued during the period ended April 30, 2018 vested immediately upon grant and 25% every three months thereafter.

At April 30, 2018, the weighted average remaining life of the outstanding and exercisable options is 4.51 years (January 31, 2018 – 4.19 years).

The assumptions used in the Black Scholes Option Pricing Model to estimate the fair value of options were:

	2018	2017
Risk-free interest rate	2.12%	N/A
Expected stock price volatility	181.53%	N/A
Expected option life in years	5 years	N/A
Expected dividend yield	Nil	Nil
Forfeiture rate	Nil	Nil

Option pricing models require the input of highly subject assumptions including the expected price volatility. Changes in the subjective assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

6. SHARE CAPITAL, (continued)

d. Warrants

Expiry date	Exercise price (\$)	January 31, 2018	Issued	Exercised	Expired	April 30, 2018
October 25, 2019	0.10	3,991,667	-	-	-	3,991,667
Warrants outstanding		3,991,667	-	-	-	3,991,667
Weighted average exercise price (\$)		\$ 0.10	\$ -	\$ -	\$ -	\$ 0.10

At April 30, 2018, the weighted average remaining life of the outstanding warrants is 1.49 years (January 31, 2018 – 1.73 years).

e. Reserves

The reserves account record items recognized as share-based payments expense and other share-based payments. When stock options are exercised, the corresponding amount will be transferred to share capital. Amounts recorded for forfeited or expired unexercised options remain in the reserves account. Amounts recorded for exercised, cancelled or expired warrants remain in the reserves account.

7. LOSS PER SHARE

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three months ended April 30, 2018 was based on the loss attributable to common shareholders of \$79,716 (April 30, 2017 – \$33,299) and a weighted average number of common shares outstanding of 11,546,108 (April 30, 2017 – 7,554,441).

Diluted loss per share did not include the effect of 1,020,000 stock options (2017 – 526,000 stock options) and 3,991,667 warrants (2017 – Nil) since they were anti-dilutive.

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

8. RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the three months ended April 30, 2018:

	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	Total
David Hottman Chief Executive Officer, Director	\$16,800	\$Nil	\$Nil	\$Nil	\$ 540	\$17,340
Mark T. Brown Chief Financial Officer, Director	\$Nil	\$Nil	\$Nil	\$Nil	\$ 189	\$189
Andrew Muir * Former Director	\$Nil	\$Nil	\$Nil	\$Nil	\$ 459	\$459
Douglas Willock * Former Director	\$Nil	\$Nil	\$Nil	\$Nil	\$ 513	\$513
Gary D. Nordin Director	\$Nil	\$Nil	\$Nil	\$Nil	\$ 648	\$648
John Kanderka Director	\$Nil	\$Nil	\$Nil	\$Nil	\$ 540	\$540
Julia Aspillaga Director	\$Nil	\$Nil	\$Nil	\$Nil	\$ 4,351	\$4,351
Patrick Daniels Director	\$Nil	\$Nil	\$Nil	\$Nil	\$ 4,351	\$4,351

* The directors resigned from the Board of Directors on April 28, 2018.

For the three months ended April 30, 2017:

	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	Total
David Hottman Chief Executive Officer, Director	\$16,800	\$Nil	\$Nil	\$Nil	\$Nil	\$16,800

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

8. RELATED PARTY TRANSACTIONS, (Continued)

Related party transactions and balances:

Amounts in accounts payable:	Services for:	Three months ended		As at	
		April 30, 2018	April 30, 2017	April 30, 2018	January 31, 2018
David Hottman	Salaries	\$ 16,800	\$ 16,800	\$ 71,729	\$ 50,400
A private company controlled by a director of the Company	Rent	3,600	-	18,900	15,120
A private company with an officer in common with the Company	Accounting and management services	7,500	-	12,293	2,625
Total		\$ 27,900	\$ 16,800	\$ 102,922	\$ 68,145

Amounts in accounts receivable:	Services for:				
A private company controlled by a director of the Company	Expense reimbursements	-	3,600	-	-
Total		\$ -	\$ 3,600	\$ -	\$ -

Amounts owing to/from related parties are non-interest bearing, unsecured, and have no fixed terms of repayment. The changes during the period were measured by the exchange amount, which is the amount agreed upon by the transacting parties.

9. FINANCIAL INSTRUMENTS

The fair value of the Company's cash, marketable securities, receivable and trade and other payables approximate their carrying values.

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash and marketable securities are measured using level 1 inputs. There were no transfers between levels 1, 2 and 3.

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS, (Continued)

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, interest risk and market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to fulfil an obligation causing the other party to incur a financial loss. The Company is exposed to credit risks arising from its cash holdings, marketable securities and receivables. The Company manages credit risk by placing cash with major Canadian financial institutions. Receivables (excluding GST) are due from the Government of Canada and for reimbursements. Management believes that credit risk related to these amounts is low.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. To manage liquidity risk, the Company reviews additional sources of capital to continue its operations and discharge its commitments as they become due.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash and cash equivalents, primarily through private placements. The Company access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as high.

(c) Interest rate risk

Interest rate risk is the risk that an investment's value will change due to a change in the level of interest rates. The Company's exposure to interest rate risk is minimal.

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and price risk. The Company is not subject to currency risk as the functional currency is the Canadian dollar. The Company does not use any form of derivative or hedging instruments to reduce its foreign currency risk. The Company is not affected by price risk.

(e) Management of industry risk

The Company is engaged primarily in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental reclamation and fluctuations in commodity based market prices associated with resource property interests. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

ORESTONE MINING CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2018

(Expressed in Canadian dollars)

10. CAPITAL MANAGEMENT

The Company considers its capital structure to be shareholders' equity represented by net assets over liabilities. The Company manages its capital structure based on the funds available to the Company, in order to support acquisition, maintenance, exploration, and development of exploration and evaluation assets.

The Board of Directors has not established any quantitative return on capital criteria for management, instead relying on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has interests are in the exploration stage so the Company is dependent on external financing to fund its activities. In order to carry out activities and administration, the Company will spend its existing working capital and raise additional amounts as needed.

The Company is not subject to externally imposed capital restrictions.

11. EVENTS AFTER THE REPORTING PERIOD

On May 27, 2018, a total of 220,000 stock options expired as a result of resignation of two directors.

On June 5, 2018, the Company granted consultants of the Company incentive stock options to purchase an aggregate of 100,000 common shares. The options are exercisable until June 4, 2023 at an exercise price of \$0.15 per share.

On June 15, 2018, the Company completed a non-brokered private placement issuing 1,000,000 units at a price of \$0.10 per unit for gross proceeds of \$100,000. Each unit consists of one common share and one-half of common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.15 until June 14, 2019.