SQUIRE MINING LTD.

(An Exploration Stage Company)

ANNUAL FINANCIAL STATEMENTS

For the years ended October 31, 2017 and 2016

(Stated in Canadian Dollars)

DeVISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Squire Mining Ltd.,

We have audited the accompanying financial statements of Squire Mining Ltd., which comprise the statements of financial position as at October 31, 2017 and 2016, and the statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Squire Mining Ltd. as at October 31, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements which indicates that the Company has limited working capital, no current sources of revenue and is dependent upon its ability to secure new sources of financing. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
February 9, 2018

SQUIRE MINING LTD.
(An Exploration Stage Company)
STATEMENTS OF FINANCIAL POSITION
October 31, 2017 and 2016
(Stated in Canadian Dollars)

ASSETS

	2017	2016
Current		
Cash and cash equivalents	$ 533,056	$ 297,169
Amounts receivable	7,003	13,736
Prepaid expense	3,150	-
	543,209	310,905
Exploration and evaluation assets – Note 5	78,653	68,653
	$ 621,862	$ 379,558

LIABILITIES

	2017	2016
Current		
Accounts payable – Note 9	$ 98,191	$ 23,135
Accrued liabilities	9,447	15,300
	107,638	38,435

SHAREHOLDERS' EQUITY

	2017	2016
Share capital – Note 6	903,738	537,838
Reserve	99,850	73,750
Accumulated deficit	(489,364)	(270,465)
	514,224	341,123
	$ 621,862	$ 379,558

Nature of Operations – Note 1
Commitments – Notes 5 and 6
Subsequent Events – Notes 5, 6 and 14

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

"Tibor Gajdics"	Director	*"Kevin Hanson"*	Director
Tibor Gajdics		Kevin Hanson	

SEE ACCOMPANYING NOTES

SQUIRE MINING LTD.
(An Exploration Stage Company)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the years ended October 31, 2017 and 2016
(Stated in Canadian Dollars)

	2017	2016
General and administrative expenses		
Accounting and audit fees	$ 12,900	$ 9,900
Bank charges	1,189	400
Consulting fees	50,000	-
Legal fees	25,357	4,916
Management fees – Note 9	45,000	-
Office and miscellaneous	3,766	4,316
Regulatory filing fees	8,230	9,473
Rent	3,000	-
Share-based compensation – Note 6	10,000	-
Shareholder communications	1,638	1,729
Transfer agent	6,389	5,121
Travel	2,413	-
Loss and comprehensive loss for the year before other items	(169,882)	(35,855)
Other items:		
Interest income	28	35
Project investigation costs – Note 12	(49,045)	(39,247)
Foreign exchange loss	-	(31,465)
	(49,017)	(70,677)
Net loss and comprehensive loss for the year	$ (218,899)	$ (106,532)
Basic and diluted loss per common share	$ (0.01)	$ (0.00)
Weighted average number of common shares outstanding	23,042,193	22,152,001

SQUIRE MINING LTD.
(An Exploration Stage Company)
STATEMENTS OF CASH FLOWS
For the years ended October 31, 2017 and 2016
(Stated in Canadian Dollars)

	2017	2016
Operating Activities		
Net loss for the year	$ (218,899)	$ (106,532)
Item not affecting cash:		
Share-based compensation	10,000	-
Net cash used in operating activities	(208,899)	(106,532)
Changes in non-cash working capital items related to operations:		
Amounts receivable	6,733	(2,981)
Prepaid expense	(3,150)	-
Accounts payable	75,056	18,190
Accrued liabilities	(5,853)	5,250
Net cash used in operating activities	(136,113)	(86,073)
Investing Activity		
Exploration and evaluation costs	(10,000)	(31,621)
Net cash used in investing activities	(10,000)	(31,621)
Financing Activities		
Shares issued for cash	382,000	-
Net cash from financing activities	382,000	-
Increase (decrease) in cash during the year	235,887	(117,694)
Cash and cash equivalents, beginning of the year	297,169	414,863
Cash and cash equivalents, end of the year	$ 533,056	$ 297,169
Cash and cash equivalents consist of:		
Cash	$ 533,056	$ 282,169
Cash held in trust	-	15,000
	$ 533,056	$ 297,169
Non-cash transactions:		
Amounts receivable	$ -	$ 1,011
Accounts payable	$ -	$ 1,209
Exploration and evaluation asset	$ -	$ (2,220)

SEE ACCOMPANYING NOTES

SQUIRE MINING LTD.
(An Exploration Stage Company)
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the years ended October 31, 2017 and 2016
(Stated in Canadian Dollars)

	Number of Common Shares	Amount	Reserve	Deficit	Total
Balance, October 31, 2015	22,152,001	537,838	73,750	(163,933)	447,655
Net loss and comprehensive loss for the year	-	-	-	(106,532)	(106,532)
Balance, October 31, 2016	22,152,001	537,838	73,750	(270,465)	341,123
For cash:					
Private placement - $0.06	6,366,666	382,000	-	-	382,000
Share issue costs					
Agent's units - $0.06	402,500	-	-	-	-
Fair value of warrants attached to agent's units	-	(16,100)	16,100	-	-
Share based compensation	-	-	10,000	-	10,000
Net loss and comprehensive loss for the year	-	-	-	(218,899)	(218,899)
Balance, October 31 2017	28,921,167	$ 903,738	$ 99,850	$ (489,364)	$ 514,224

SEE ACCOMPANYING NOTES

Note 1 Nature of Operations

The Company is a mineral property exploration company whose common shares trade on the Canadian Securities Exchange ("CSE"). On March 18, 2015, the Company received a receipt from the BCSC, ASC and OSC for its initial public offering ("IPO") dated March 17, 2015 and become a reporting issuer in British Columbia, Alberta and Ontario. On June 12, 2015, the Company completed its IPO and commenced trading on June 16, 2015 under the trading symbol "SQR".

The Company has an option agreement to earn an interest in a mineral property located near Quesnel, British Columbia (Note 5) and has not yet determined whether this property contains reserves that are economically recoverable. The recoverability of amounts from the property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof.

Squire Mining Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on March 23, 2011. On January 13, 2015 the Company changed its name from 0906251 B.C. Ltd. to Squire Mining Ltd.

The address of the Company's corporate office and principal place of business is c/o Suite 404 – 815 Hornby Street, Vancouver, BC, V6Z 2E6 and the address of its records office is Suite 650 – 1188 West Georgia Street, Vancouver, BC, V6E 4A2.

Note 2 Basis of Preparation

a) Statement of Compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and which were in effect as of October 31, 2017.

The financial statements were authorized for issue by the Board of Directors on February 9, 2018.

Note 2 Basis of Preparation – (cont'd)

b) Going Concern

The Company has not generated revenue from operations and incurred a net loss of $218,899 for the period ended October 31, 2017, has accumulated a deficit at October 31, 2017 of $489,364 and expects to incur further losses in the development of its business. These financial statements have been prepared on 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 Company has not yet determined whether its mineral properties contain economically recoverable reserves. The recoverability of the amounts shown for mineral properties is dependent upon the confirmation of economically recoverable reserves and its ability to obtain adequate financing to develop its mineral properties, and to commence profitable operations in the future, all of which casts significant doubt about the Company's ability to continue as a going concern.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

c) Basis of Measurement

These financial statements have been prepared using the historical cost basis in Canadian dollars, which is the Company's functional currency.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Note 3 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements unless otherwise indicated.

a) Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

Note 3 Significant Accounting Policies – (cont'd)

b) Basic and Diluted Loss per Share

Basic earnings per share are computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflect the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the "if converted" method. Diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

c) Exploration and Evaluation Assets

Pre-exploration costs

Pre-exploration costs are expensed in the year in which they are incurred.

Exploration and evaluation costs

Once the legal right to explore a property has been acquired, exploration and evaluation expenditures are recognized and capitalized in addition to the acquisition costs. Mineral exploration costs are capitalized on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. Once the technical feasibility and commercial viability of extraction of the mineral resources has been determined, the property is considered to be a property under development and is reclassified as such. Accordingly, costs for a producing prospect are amortized on a unit-of-production method based on the estimated life of the ore reserves, while those costs for prospects abandoned are written off.

On an annual basis or when impairment indicators arise, the Company evaluates the future recoverability of its exploration and evaluation costs. Impairment losses or write-downs are recorded in the event the net book value of such assets exceeds the estimated indicated future cash flows attributable to such assets.

The recoverability of the amounts capitalized for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof.

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

Note 3 Significant Accounting Policies – (cont'd)

c) Exploration and Evaluation Assets – (cont'd)

Management's capitalization of exploration and development costs and assumptions regarding the future recoverability of such costs are subject to significant estimation uncertainty. Management's assessment of recoverability is based on, among other things, the Company's estimate of current mineral reserves and resources which are supported by geological estimates, estimated commodity prices, and the procurement of all necessary regulatory permits and approvals. These assumptions and estimates could change in the future and this could materially affect the carrying value and the ultimate recoverability of the amounts recorded for mineral properties.

Mineral exploration 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 mineral tax credits are earned in respect to exploration costs incurred in British Columbia, Canada and are recorded as a reduction of the related deferred exploration expenditures.

d) Impairment of Long-lived Assets

The Company's tangible and intangible assets are reviewed for an indication of impairment at each financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in the statement of comprehensive loss when incurred. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

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 current market assessments of the time value of money and the risks specific to the asset. 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.

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 or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

Note 3 Significant Accounting Policies – (cont'd)

e) Rehabilitation Provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of tangible long-lived assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to the amount of the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related asset. The liability is progressively increased each period as the effect of the discounting unwinds, creating an expense recognition in the statement of comprehensive loss.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the rehabilitation provision.

The Company's estimates are reviewed at each reporting date for changes in regulatory requirements, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to the statement of comprehensive loss for the period. As at October 31, 2017 and 2016, the Company is not aware of any reclamation costs and no amounts have been recorded.

f) Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Flow-through Shares

The Company will, from time to time, issue flow-through shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the issuance of a flow-through share, it is bifurcated into equity (share) and liability (flow-through) components on the issue date. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Note 3 Significant Accounting Policies – (cont'd)

f) Share Capital – (cont'd)

Flow-through Shares – (cont'd)

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

g) Share-based Payments

Equity-settled share based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the financial statements. The fair value determined at the grant date of the equity-settled share based payments is expensed using the graded vesting method over the vesting period based on the Company's estimate of shares that will eventually vest. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss over the remaining vesting period.

Compensation expense on share purchase options granted to non-employees is measured at the earlier of the completion of performance and the date the options are vested using the fair value method and is recorded as an expense in the same period as if the Company had paid cash for the goods or services received.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital along with any consideration paid. If the options expire unexercised, the amount recorded remains in contributed surplus.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Note 3 Significant Accounting Policies – (cont'd)

h) Income Taxes

Income tax expense is comprised of current and deferred tax. Current and deferred income tax is recognized in the statement of loss except to the extent that it relates to a business combination or items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

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

Deferred tax assets and liabilities are recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities are presented as non-current.

i) Foreign Currency Translation

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the period-end date, unsettled monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the period-end date and the related translation differences are recognized in net income.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined and the related translation differences are recognized in net income or other comprehensive loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

Note 3 Significant Accounting Policies – (cont'd)

j) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial assets in the following categories depending on the purpose for which the instruments were acquired.

Financial assets are classified into one of four categories: financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity investments, available for sale ("AFS") financial assets and loans and receivables.

The Company has classified cash and cash equivalents as fair value through profit or loss.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, these assets are measured at amortized cost at the settlement date using the effective interest method of amortization. Amounts receivable are classified as loans and receivables.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. Financial assets are impaired when one or more events that occurred after the initial recognition of the financial asset have been impacted.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss. The carrying amount of a trade receivable is reduced through the use of an allowance. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the statement of comprehensive loss.

Impairment losses on loans and receivables carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized. Impairment losses on available-for-sale equity instruments are not reversed.

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at FVTPL, or other financial liabilities, as appropriate.

Note 3 Significant Accounting Policies – (cont'd)

j) Financial Instruments – (cont'd)

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value.

The Company's financial liabilities include accounts payables and accrued liabilities. Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

k) Accounting standards and amendments issued not yet effective

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards; however, the Company does not expect them to have a significant effect on the financial statements.

- IFRS 9, *Financial Instruments (effective January 1, 2018)* introduces new requirements for the classification and measurement of financial assets, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple classification options available in IAS 39.

- IFRS 16 *Leases* establishes a single lease accounting model requiring lessees to recognize assets and liabilities for all leases unless the leases term is twelve months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with the approach to lessor accounting in IFRS 16 substantially unchanged from the predecessor standards IAS 17 Leases. The standard replaces IAS 17 Leases and related interpretations. This standard is effective for reporting periods beginning on or after January 1, 2019.

Note 4 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical estimates and judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Estimates

Share-based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most

Note 4 Use of Estimates and Judgments – (cont'd)

appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 6.

Judgments

Exploration and evaluation expenditures

The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position, utilize the cost model and the carrying value of the exploration and evaluation assets is based on the expenditures incurred. Management regularly tests for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Impairment of exploration and evaluation assets is generally considered to have occurred if one of the following factors are present: the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications in an area with development likely to proceed that the carrying amount is unlikely to be recovered in full by development or by sale.

Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Going concern

The assumption that the Company is a going concern and will continue in operation for the foreseeable future is a judgment. The factors considered by management are disclosed in Note 2.

(Stated in Canadian Dollars)

Note 5 Exploration and Evaluation Assets

Star Property

	Balance, October 31, 2015	Additions	Balance October 31, 2016	Additions	Balance, October 31, 2017
Acquisition costs	$ 8,000	$ 10,000	$ 18,000	$ 10,000	$ 28,000
Deferred exploration costs					
Assays	12,488	10,304	22,792	-	22,792
Equipment rental	2,219	5,103	7,322	-	7,322
Food and accommodations	3,469	2,062	5,531	-	5,531
Geological	23,880	16,590	40,470	-	40,470
Supplies	2,021	-	2,021	-	2,021
	44,077	34,059	78,136	-	78,136
Mineral Exploration Tax Credits	(17,265)	(10,218)	(27,483)	-	(27,483)
Balance, ending	$ 34,812	$ 33,841	$ 68,653	$ 10,000	$ 78,653

By a mineral property option agreement dated October 5, 2013 and amended on December 5, 2014, the Company may acquire up to a 100% interest in the Star Property. This property consisted of six mineral tenures and is located approximately 80 kilometres west southwest of Quesnel, British Columbia.

In order to earn a 51% interest in the Star Property, the Company shall pay $78,000 in cash and incur $885,000 in exploration work as follows:

Date	Payment	Exploration Work
Upon completion of $0.02 financing (Paid)	$ 2,000	$ -
Upon CSE listing date (“Listing Date”) (Paid)	6,000	-
Twelve months after Listing Date (Paid and Incurred)	10,000	35,000
Eighteen months after Listing Date (Paid)	10,000	-
Twenty-four months after Listing Date *	10,000	100,000
Thirty months after Listing Date	10,000	-
Thirty-six months after Listing Date	10,000	250,000
Forty-two months after Listing Date	10,000	-
Forty-eight months after Listing date	10,000	500,000
	$ 78,000	$ 885,000

The Company may earn an additional 10% interest in the Star Property by completing a pre-feasibility study and a further 9% interest upon successful completion of a senior financing required to put the Star Property into production.

As at October 31, 2017, the Company has forfeited two of the original six claims that it did not consider to be part of the core claims.

(Stated in Canadian Dollars)

Note 5 Exploration and Evaluation Assets – (cont'd)

Prior to October 5, 2013, the date of the option agreement, the Company incurred an aggregate of $26,948 in costs related to the evaluation of the Star Property, which have been previously expensed to the Statement of Loss and Comprehensive Loss.

*At October 31, 2017, the Company had not paid the required property payment or incurred the required exploration costs due by twenty-four months after the listing date. By an agreement dated February 1, 2018 the Company replaced the prior agreements with a new option agreement effective February 15, 2018 such that in order to earn a 51% interest in the Star Property, the Company shall pay a further $60,000 in cash and incur a further $785,000 in exploration work as follows:

Date	Payment	Exploration Work
February 15, 2018 (Paid $2,500 subsequently)	$ 10,000	$ 35,000
August 15, 2018	10,000	-
February 15, 2019	10,000	250,000
August 15, 2019	10,000	-
February 15, 2020	10,000	500,000
August 15, 2020	10,000	-
	$ 60,000	$ 785,000

The term of the option shall be until August 15, 2020. If the option is not exercised or the cash and exploration work has not been paid in full on or before August 15, 2020, the option shall terminate.

The Company may earn an additional 14% interest in the Star Property by completing a preliminary economic assessment and a further 15% interest upon successful completion of a financing sufficient to carry out a feasibility study on the property.

Note 6 Share Capital – Note 14

a) Authorized:

Unlimited common shares without par value

b) Issued:

During the year ended October 31, 2017:

On September 13, 2017, the Company completed a private placement of 6,366,666 units at $0.06 per unit for gross proceeds of $382,000. Each unit consists of one common share and one transferable share purchase warrant to purchase an additional common share at $0.08 per share until September 8, 2019. The Company also paid a finder's fee 402,500 units with the same terms as the private placement. The Company determined the fair value of the common share portion of the finder's fee unit at $0.06 per share, for a total of $24,150, and attributed an additional fair value of $16,100 to

(Stated in Canadian Dollars)

Note 6 Share Capital – Note 14 – (cont'd)

the attached warrants utilizing the Black Scholes option pricing model with the following assumptions – risk-free rate of 1.58%, dividend yield of nil; expected volatility of 135%; expected life of 2 years and a forfeiture rate of 0%.

There were no shares issued during the year ended October 31, 2016.

c) Escrow:

Pursuant to an escrow agreement dated March 12, 2015, 16,500,001 common shares were placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date.

As at October 31, 2017, there were 4,950,001 (2016: 9,900,000) common shares held in escrow. On December 12, 2017, 2,475,000 common shares were released from escrow.

d) Commitments:

Share-based Compensation:

The Company has a share-based compensation plan whereby share purchase options are granted in accordance with the policies of regulatory authorities at an exercise price equal to the market price of the Company's shares on the date of the grant and, unless otherwise stated, vest on the grant date and with a term not to exceed five years. Under the plan, the board of directors may grant up to 10% of the issued number of shares outstanding as at the date of the share purchase option grant.

On October 5, 2017, the Company granted share purchase options to a consultant entitling the holder thereof the right to purchase up to 100,000 common shares at $0.12 per share expiring on October 5, 2022. The Company recorded a fair value of $10,000 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 1.70%; Dividend yield of Nil; Expected volatility of 127%; Expected life of 5 years and a forfeiture rate of 0%.

A summary of the Company's share purchase options outstanding at October 31, 2017 and 2016 are presented below:

	Options	Weighted Average Exercise Price
Outstanding and exercisable at October 31, 2015 and 2016	1,125,000	$0.12
Forfeited	(250,000)	$0.12
Granted	100,000	$0.12
Outstanding and exercisable at October 31, 2017	975,000	$0.12

(Stated in Canadian Dollars)

Note 6 Share Capital – Note 14 – (cont'd)

As at October 31, 2017, share purchase options outstanding have a weighted average remaining contractual life of 2.6 (2016: 3.42) years.

Outstanding	Exercisable	Exercise Price	Expiry Date
125,000	125,000	$0.12	March 31, 2020
750,000	750,000	$0.12	March 31, 2020
100,000	100,000	$0.12	October 5, 2022
975,000	975,000		

Agent's Warrants:

A summary of agent's warrants outstanding at as at October 31, 2017 and 2016 are presented below:

	Agent's Warrants	Weighted Average Exercise Price
Outstanding, at October 31, 2015 and 2016	300,000	$0.10
Issued	402,500	$0.08
Expired	(300,000)	$0.10
Outstanding, at October 31, 2017	402,500	$0.10

As at October 31, 2017, Agent's warrants outstanding have a weighted average remaining contractual life of 1.87 (2016: 0.12) years

As at October 31, 2017, the Company had 402,500 Agent's warrants outstanding and entitling the holder thereof the right to acquire 402,500 common shares at $0.08 per share expiring on September 8, 2019.

Share Purchase Warrants:

A summary of the status of share purchase warrants as of October 31, 2017 and 2016 and changes during the periods then ended on those dates is presented below:

	Share Purchase Warrants	Weighted Average Exercise Price
Balance, at October 31, 2015 and 2016	-	
Issued	6,366,666	$0.08
Balance at October 31, 2017	6,366,666	$0.08

Note 6 Share Capital – Note 14 – (cont'd)

d) Commitments: – (cont'd)

As at October 31, 2017, share purchase warrants outstanding have a weighted average remaining contractual life of 1.85 (2016: Nil) years.

As at October 31, 2017, the Company had 6,366,666 share purchase warrants outstanding and entitling the holder thereof the right to acquire 6,366,666 common shares at $0.08 per share expiring on September 8, 2019.

Note 7 Financial Instruments and Risk Management

The Company is exposed through its operations to the following financial risks:

Market Risk
Credit Risk
Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and process for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and are comprised of foreign currency risk and interest rate risk.

b) Foreign Currency Risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuation.

c) Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. The risk that the Company will realize a loss as a result of a decline in the fair value of the cash is limited because of the short-term nature of the investments.

Note 7 Financial Instruments and Risk Management – (cont'd)

d) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consists primarily of cash. Cash are maintained with financial institutions of reputable credit and may be redeemed upon demand. The Company considers this risk to be minimal.

e) Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating year.

As at October 31, 2017, the Company had working capital of $435,571. The Company does not currently operate any producing properties and as such, may be dependent upon issuance of new equity to advance its exploration properties. If equity financing is required, failure to obtain financing on a timely basis may cause the Company to postpone exploration plans, reduce or terminate its operations.

Determination of Fair Value:

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The financial position carrying amounts for cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Note 7 Financial Instruments and Risk Management – (cont'd)

- Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

- Level 3 – Applies to assets or liabilities for which there are unobservable market data.

Note 8 Management of Capital Risk

The Company manages its cash and cash equivalents, and common shares as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

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

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

In order to maximize ongoing development efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities 90 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

Note 9 Related Party Transactions

The Company incurred the following expenditures charged by two companies each controlled by a director of the Company:

	2017	2016
Key management compensation		
Management fees	$ 45,000	-
	$ 45,000	$ -

These transactions are in the normal course of operations and were measured by amounts agreed upon by the transacting parties.

(Stated in Canadian Dollars)

Note 9 Related Party Transactions – (cont'd)

Accounts payable at October 31, 2017 includes $47,250 (October 31, 2016: $131) owed to two companies each controlled by a director of the Company for unpaid management fees and reimbursement of expenses.

The Company considers its Chief Executive Officer, Chief Financial Officer and directors of the Company to be key management.

Note 10 Segment Information

As at October 31, 2017, the Company has only one operating segment, the acquisition, exploration and development of gold properties in Canada.

Note 11 Terminated Acquisition

On October 14, 2016, the Company entered into a binding letter of intent ("LOI") with Strategic Aviation Holdings Ltd. ("SAH"), a privately owned company incorporated under the laws of Ontario, and each of the shareholders of SAH, which set out the terms and conditions pursuant to which the Company, SAH and the SAH shareholders agreed to complete a transaction that would result in the acquisition by the Company of all of the issued and outstanding common shares of SAH.

SAH is a national multi-functional aviation services provider, focusing on airline ground handling and catering logistics services in Canada.

The completion of the proposed transaction was subject to a number of terms and conditions, including entering into a definitive agreement, the completion of the financing, the approval of the shareholders of the Company, the approval of the exchange and other relevant regulatory authorities. On January 6, 2017 the LOI was terminated after the parties were unable to meet certain conditions required to complete the transaction on mutually acceptable terms.

Note 12 Project Investigation Costs

Project investigation costs included in the Statements of Loss and Comprehensive Loss, are related to costs incurred with respect to investigation and due diligence of potential business acquisitions and consist of the following:

	2017	2016
Consulting fees	$ 2,500	$ 6,000
Legal costs	46,545	24,718
Travel costs	-	8,529
	$ 49,045	$ 39,247

(Stated in Canadian Dollars)

Note 13 Income Taxes

The Company has Canadian exploration and development expenses of approximately $92,000 (2016: $82,000) that are available to carry forward and offset future years' income at various rates. These pools carry forward indefinitely.

The Company has non-capital losses of approximately $447,000 (2016: $218,000), which may be carried forward to offset future years' income. The non-capital losses expire as follows:

2031	$ 2,000
2032	2,000
2033	1,000
2034	14,000
2035	108,000
2036	91,000
2037	229,000
	$ 447,000

The Company has capital losses totalling $31,465 which may be carried forward and applied against capital gains in future years.

The difference between tax expense for the periods and the expected income taxes based on the statutory tax rate arises as follows:

	2017	2016
Loss before income taxes	$ (218,899)	$ (106,532)
Statutory income tax rates	26.00%	26.00%
Computed income tax recovery	$ (56,900)	$ (27,700)
Permanent difference	2,700	4,100
Changes in unrecognized deferred tax assets	54,200	23,600
Total current and deferred income tax recovery	$ -	$ -

No deferred tax asset has been recognized in respect of the following losses and temporary differences as it is not considered probable that sufficient future taxable profit will allow the deferred tax asset to be recovered:

	2017	2016
Non-capital losses	$ 115,900	$ 56,400
Capital losses	4,100	4,100
Undeducted finance costs	14,600	13,600
Resource expenditures	3,500	3,500
Unrecognized deferred tax assets	(138,100)	(77,600)
Deferred income tax asset, net	$ -	$ -

Note 14 Subsequent Events – Notes 5 and 6

- On November 2, 2017, the Company granted a director of the Company share purchase options to acquire 500,000 common shares at $0.10 per share. These options expire on November 2, 2022.

- On December 15, 2017 the Company closed a non-brokered private placement of 10,133,333 units at $0.06 per unit for gross proceeds of $608,000. Each unit consists of one common share and one transferable share purchase warrant to purchase one additional common share at $0.08 per share exercisable until December 21, 2019, as to 7,633,333 warrants, and until December 27, 2019, as to 2,500,000 warrants. The Company also paid a finder's fee of 560,000 units comprising the same terms as the private placement (exercisable until December 27, 2019).

- By an agreement dated December 12, 2017, as amended January 29, 2018, the Company purchased an 18% interest in an exclusive eight-year license to commercially exploit a patented communications technology designed to create autonomous communication networks without the need to connect to the internet, cellular or other communications infrastructure. This license relates solely to commercial applications for the mining resource industry worldwide. In consideration, the Company paid the licensee $225,000. This agreement is subject to the underlying owners' consent to the assignment of the interest to the Company, a 15% royalty of net revenue received payable to the underlying owner and the licensee incurring a minimum of $50,000 on or before December 12, 2018 in qualified expenditures to develop mining-related uses for the technology, failing which the Company's interest in the license will automatically increase to 25%.

- On January 12, 2018 directors of the Company exercised 750,000 share purchase options, as to 500,000 at $0.12 per share and as to 250,000 at $0.10 per share. Also, on January 12, 2018 the Company granted stock options to employees, directors, officers and consultants to purchase up to 3,233,334 common shares at $0.15 per share, exercisable until January 12, 2020.

- By a subscription agreement dated February 5, 2018, the Company agreed to purchase 300,000 units of Universal mCloud Corp. ("mCloud") at $0.35 per unit for a total subscription of $105,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the Company the right to purchase one common share at $0.45 per share exercisable for thirty-six months from the closing date, subject to early redemption by mCloud if the 10-day weighted average trading price of the common shares of mCloud is at any time greater than $0.80 per share.