GGL RESOURCES CORP.

Financial Statements

November 30, 2018 and 2017

(Expressed in Canadian Dollars)

D&H Group LLP
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Independent Auditor's Report

To the Shareholders of GGL Resources Corp.

We have audited the accompanying financial statements of GGL Resources Corp., which comprise the statements of financial position as at November 30, 2018 and November 30, 2017, and the statements of changes in shareholders' equity, statements of loss and comprehensive loss and statements of cash flows for the years ended November 30, 2018 and November 30, 2017, 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, 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 about whether the financial statements are free from 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 in our audits 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 GGL Resources Corp. as at November 30, 2018 and November 30, 2017, and its financial performance and its cash flows for the years ended November 30, 2018 and November 30, 2017 in accordance with International Financial Reporting Standards.

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Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about GGL Resources Corp.'s ability to continue as a going concern.

D&H Group LLP

Vancouver, B.C.
March 26, 2019

Chartered Professional Accountants

GGL Resources Corp.

Statements of Financial Position
(Expressed in Canadian Dollars)

As at November 30, 2018 and 2017

	Note	**November 30, 2018 $**	November 30, 2017 $
Assets			
Current assets			
Cash and cash equivalents	3	211,355	1,140,174
Receivables and prepayments	4	46,684	104,843
Marketable securities	5	95,001	155,001
		353,040	1,400,018
Non-current assets			
Mineral property interests	6	2,295,488	1,741,861
Reclamation bonds	7	76,400	76,400
Property and equipment	8	27,819	34,774
Total assets		**2,752,747**	3,253,053
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		51,056	118,218
Accounts payable to related parties	11	41,295	76,556
Total liabilities		**92,351**	194,774
Shareholders' equity			
Share capital	9	37,474,159	37,474,159
Contributed surplus	9	179,613	61,474
Accumulated other comprehensive loss	2(c)	-	(69,999)
Deficit		(34,993,376)	(34,407,355)
Total shareholders' equity		**2,660,396**	3,058,279
Total liabilities and shareholders' equity		**2,752,747**	3,253,053
Nature of operations and going concern	1		

Approved on behalf of the Board of Directors on March 26, 2019:

"Nick Demare" **Director** *"William A. Barclay"* **Director**

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

GGL Resources Corp.

Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

For the years ended November 30, 2018 and 2017

	Number of shares #	Share capital $	Contributed surplus $	Accumulated other comprehensive loss $	Deficit $	Total Shareholders' equity $
December 1, 2016	7,096,949	35,983,666	88,605	(24,999)	(34,283,639)	1,763,633
Common shares issued for cash	15,000,000	1,500,000	-	-	-	1,500,000
Share issue costs	-	(9,507)	-	-	-	(9,507)
Re-allocated on expiration of warrants	-	-	(48,000)	-	48,000	-
Share-based payments	-	-	20,869	-	-	20,869
Loss and comprehensive loss for the year	-	-	-	(45,000)	(171,716)	(216,716)
November 30, 2017	22,096,949	37,474,159	61,474	(69,999)	(34,407,355)	3,058,279
December 1, 2017	22,096,949	37,474,159	61,474	(69,999)	(34,407,355)	3,058,279
Reclassification on adoption of IFRS 9	-	-	-	69,999	(69,999)	-
Re-allocated on expiration of warrants	-	-	(11,250)	-	11,250	-
Share-based payments	-	-	129,389	-	-	129,389
Loss and comprehensive loss for the year	-	-	-	-	(527,272)	(527,272)
November 30, 2018	**22,096,949**	**37,474,159**	**179,613**	**-**	**(34,993,376)**	**2,660,396**

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

GGL Resources Corp.

Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

For the years ended November 30,

	Note	**2018** $	2017 $
Expenses			
General administrative expenses		21,318	26,343
Insurance		16,718	10,190
Management, administrative and corporate development fees	11	140,219	32,829
Office rent	11	18,000	1,500
Professional fees	11	77,168	36,124
Property examination costs		44,181	14,389
Share-based payments	9	129,389	20,869
Transfer agent and filing fees		27,341	26,892
Loss from operating expenses		**(474,334)**	(169,136)
Interest expense		-	(3,239)
Interest income		7,062	745
Unrealized loss on marketable securities	5	(60,000)	-
Write-off of property and equipment		-	(86)
Loss for the year		**(527,272)**	(171,716)
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss:			
Unrealized loss on marketable securities	5	**-**	(45,000)
Loss and comprehensive loss for the year		**(527,272)**	(216,716)
Loss per share			
Weighted average number of common shares outstanding			
- basic #		**22,096,949**	8,370,922
- diluted #		**22,096,949**	8,370,922
Basic loss per share $		**(0.02)**	(0.02)
Diluted loss per share $		**(0.02)**	(0.02)

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

GGL Resources Corp.

Statements of Cash Flows

(Expressed in Canadian Dollars)

For the years ended November 30,

	Note	**2018**	2017
		$	$
Operating activities			
Loss for the year		(527,272)	(171,716)
Adjustments for:			
Share-based payments		129,389	20,869
Depreciation - general and administrative		90	113
Depreciation - property examination costs		6,865	8,581
Unrealized loss on marketable securities		60,000	-
Write-off of property and equipment		-	86
Net change in non-cash working capital items	13	33,306	(102,742)
		(297,622)	(244,809)
Financing activities			
Issue of common shares for cash		-	1,500,000
Share issue costs		-	(9,507)
Loan proceeds	11	-	171,342
Loan repayments	11	-	(171,342)
		-	1,490,493
Investing activities			
Purchase of property and equipment		**-**	(2,183)
Expenditures on exploration and evaluation assets		(631,197)	(156,855)
		(631,197)	(159,038)
(Decrease) increase in cash and cash equivalents		**(928,819)**	1,086,646
Cash and cash equivalents, beginning of year		**1,140,174**	53,528
Cash and cash equivalents, end of year		**211,355**	1,140,174
Supplemental cash flow information	13		

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

1. Nature of operations and going concern

GGL Resources Corp. ("the Company") was incorporated in British Columbia on May 25, 1981 under the provisions of the Company Act (British Columbia) and has extra territorial registration in the Northwest Territories and Nunavut. The Company is listed on the TSX Venture Exchange (the "Exchange") under the symbol "GGL". The Company's address is #1016, 510 West Hastings Street, Vancouver, BC, V6B 1L8. The Company's current records office and registered address is #1710, 1177 West Hastings Street, Vancouver, BC, V6E 2L3, Canada.

The Company's principal business activity is the acquisition, exploration and evaluation of mineral properties. The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition or option of the mineral property interests. The carrying amounts of mineral property interests are based on costs incurred to date, and do not necessarily represent present or future values.

These financial statements are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have traditional sources of revenue, and historically has relied on property option or sale proceeds, loans and share capital financing to cover its operating expenses.

As at November 30, 2018, the Company had working capital of $260,689 (November 30, 2017 - $1,205,244) and shareholders' equity of $2,660,396 (November 30, 2017 - $3,058,279). The Company will continue to seek the funding necessary to enable the Company to carry on as a going concern, but management cannot provide assurance that the Company will be able to raise additional debt and/or equity capital. If the Company is unable to raise additional funds in the immediate future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures or cease operations. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards and Interpretations ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements reflect the Company's early adoption of IFRS 9, see Note 2(c).

These financial statements have been prepared on an historical cost basis, except for financial instruments which are classified as fair value through profit or loss ("FVTPL"). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

All amounts on these financial statements are presented in Canadian dollars which is the functional currency of the Company.

Certain prior year figures within the statements of financial position and statements of loss and comprehensive loss were reclassified.

2. Significant accounting policies (continued)

(b) New accounting policies

IFRS 9 – Financial Instruments

The Company has early adopted new accounting standard IFRS 9 - Financial Instruments. The Company initially applied IFRS 9 effective December 1, 2017. As a result of the Company early adopting this standard, the Company has changed its accounting policy for financial assets retrospectively, on assets that were recognized at the date of application. An assessment has been made and the impact to the Company's financial statements was to reclassify its available-for-sale marketable securities to FVTPL.

The Company adopted IFRS 9 retrospectively without restatement of comparative amounts resulting in a reclassification of $69,999 from accumulated other comprehensive loss to deficit on December 1, 2017. Future changes in the fair value of these marketable securities will be recorded directly in profit or loss. No other differences of any significance have been noted in relation to the adoption of IFRS 9.

The nature and effect of the changes to previous accounting policies for financial instruments is set out below.

<u>Classification and measurement of financial assets and liabilities</u>

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held-to-maturity, loans and receivables, and available-for-sale.

The adoption of IFRS 9 had no effect on the Company's accounting policies related to financial liabilities. The classifications of financial liabilities remain the same under IFRS 9, as they were under IAS 39. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

A financial asset is classified and measured at: amortized cost; fair value through other comprehensive income ("FVOCI") or FVTPL. The classification categories for financial assets are determined based on the business model in which a financial asset is managed, as well as its contractual cash flow characteristics. The classifications of the Company's financial instruments given effect to the adoption of IFRS 9 are included in the significant accounting policy in Note 2(d) below.

<u>Impairment of financial assets</u>

An 'expected credit loss' ("ECL") model applies to financial assets measured at amortized cost, but not to investments in marketable securities. The Company's financial assets measured at amortized cost and subject to the ECL model include other receivables. The adoption of the ECL impairment model had no impact on the carrying amounts of the Company's financial assets on the transition date given the receivables are substantially all current.

(c) Financial instruments

All financial instruments are recognized initially at fair value on the date at which the Company becomes a party to the contractual provisions of the instrument.

<u>Classification and measurement</u>

The Company classifies its financial instruments in the following categories based on the purpose for which the asset was acquired: FVTPL, amortized cost, FVOCI, and other financial liabilities. As noted in Note 2(c) above, the impact of the adoption of IFRS 9 changed the measurement approach of marketable securities, effective December 1, 2017. The Company's financial assets and financial liabilities are classified and measured as follows:

- Cash and cash equivalents and marketable securities are classified and measured at FVTPL;
- Other receivables are classified and measured at amortized cost, initially at FVTPL, and subsequently at amortized cost using the effective interest rate method, less provision for impairment;
- Accounts payable and accrued liabilities, and accounts payable to related parties are classified and measured as other financial liabilities, initially at FVTPL, and subsequently at amortized cost using the effective interest rate method.

2. Significant accounting policies (continued)

(d) Mineral property interests

The acquisition costs of mineral property interests and any subsequent exploration and evaluation costs are capitalized until the property to which they relate is placed into production, sold, allowed to lapse or abandoned. Exploration and evaluation costs incurred prior to obtaining ownership, or the right to explore a property, are expensed as incurred as property examination costs. Mineral property interests that have close proximity and have the possibility of being developed as a single mine are grouped as projects and are considered separate cash generating units ("CGU") for the purpose of determining future mineral reserves and impairments.

The acquisition costs include the cash consideration paid and the fair value of any shares issued for mineral property interests being acquired or optioned pursuant to the terms of relevant agreements.

Proceeds received from a partial sale or option of any interest in a property are credited against the carrying value of the property. When the proceeds exceed the carrying costs the excess is recorded in profit or loss in the year the excess is received. When all of the interest in a property is sold, subject only to any retained royalty interests which may exist, the accumulated property costs are written-off, with any gain or loss included in profit or loss in the year the transaction takes place. No initial value is assigned to any retained royalty interest. The royalty interest is subsequently assessed for value by reference to developments on the underlying mineral property.

Management reviews its mineral property interests at each reporting period for signs of impairment and annually after each exploration season to consider if there is impairment in value taking into consideration current year exploration results and management's assessment of the future probability of profitable operations from the property, or likely gains from the disposition or option of the property. If a property is abandoned or inactive for a prolonged period, or considered to have no future economic potential, the acquisition and deferred exploration and evaluation costs are written-off to profit or loss.

Should a project be put into production, the costs of acquisition, exploration and evaluation will be amortized over the life of the project based on estimated economic reserves. If the carrying value of a project exceeds estimated reserves, an impairment provision is recorded.

When entitled, the Company records refundable mineral exploration tax credits or incentive grants on an accrual basis and as a reduction of the carrying value of the mineral property interest. When the Company is entitled to non-refundable exploration tax credits, and it is probable that they can be used to reduce future taxable income, a deferred income tax benefit is recognized.

(e) Property and equipment

Property and equipment are carried at cost less accumulated depreciation and impairment losses. Depreciation of the property and equipment is provided over the estimated useful lives of the assets on a declining-balance basis, unless otherwise noted, at the following annual rates:

Exploration equipment	20%
Office furniture	20%

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures are capitalized. The useful lives are reviewed annually.

2. Significant accounting policies (continued)

(f) Impairment

(i) Financial assets

Impairment provisions for receivables are recognized based on the simplified approach within IFRS 9 using the lifetime ECL. During this process the probability of the non-payment of the receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the receivables. For receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognized within profit or loss. On confirmation that the receivable will not be collectable, the gross carrying value of the asset is written-off against the associated provision.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, this reversal is recognized in profit or loss.

(ii) Non-financial assets

Non-financial assets are reviewed at each reporting period by management for indicators that the carrying value is impaired and may not be recoverable. When indicators of impairment are present the recoverable amount of an asset is evaluated at the CGU level, which 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. The recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent that the carrying amount exceeds the recoverable amount. The Company's mineral property interest impairment policy is more specifically discussed in Note 2(e) above.

(g) Share capital

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from shareholders' equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as contributed surplus.

Warrants issued on a standalone basis are valued using the Black-Scholes model.

(h) Flow-through share private placements

As an incentive to complete private placements the Company may issue common shares, which by agreement are designated as flow-through shares. Such agreements require the Company to spend the funds from these placements on qualified exploration expenditures and renounce the expenditures and income tax benefits to the flow-through shareholders, resulting in no exploration deductions for tax purposes to the Company.

The shares are usually issued at a premium to the trading value of the Company's common shares. The premium is a reflection of the value of the income tax benefits that the Company must pass on to the flow-through shareholders. On issue, share capital is increased only by the non-flow-through share equivalent value. Any premium is recorded as a flow-through share premium liability.

The deferred income tax liability and reversal of the flow-through share premium liability are recorded on a pro-rata basis as the required exploration expenditures are completed.

2. Significant accounting policies (continued)

(i) Share-based payments

The Company has a stock option plan that provides for the granting of options to Officers, Directors, related company employees and consultants to acquire shares of the Company. The fair value of the options is measured on grant date and is recognized as an expense with a corresponding increase in contributed surplus as the options vest.

Options granted to employees and others providing similar services are measured at grant date at the fair value of the instruments issued. Fair value is determined using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Each tranche in an award with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis.

Options granted 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.

Over the vesting period, share-based payments are recorded as an operating expense and as contributed surplus. When options are exercised the consideration received is recorded as share capital and the related share-based payments originally recorded as contributed surplus are transferred to share capital. When an option is cancelled, exercised, or expires, the initial recorded value is reversed from contributed surplus and credited to deficit.

(j) Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. The estimated costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are determined, and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates, using a pre-tax rate that reflects the time value of money, are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The related liability is adjusted at each reporting date for the unwinding of the discount rate, for changes to the current market-based discount rate, and for changes to the amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged to profit or loss as extraction progresses.

The Company has no known restoration, rehabilitation or environmental costs, of any significance, related to its mineral property interests.

(k) Foreign currency transactions

The presentation and functional currency of the Company is the Canadian dollar. Transactions in currencies other than the Canadian dollar are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2. Significant accounting policies (continued)

(l) Income taxes

Income tax expense is comprised of current and deferred income taxes. Current income tax and deferred income tax are recognized in profit or loss, except to the extent that they relate to items recognized directly in equity or equity investments.

Current income tax is the expected tax payable or receivable on the taxable income or loss 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 income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income 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 income tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority for the same taxable entity. A deferred income tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable income will be available against which they can be utilized. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related income tax benefit will be realized.

(m) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share (“EPS”) data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by dividing the profit or loss attributable to common shareholders by the weighted average number of common shares outstanding, adjusted for own shares held and for the effects of all potential dilutive common shares related to outstanding stock options and warrants issued by the Company for the years presented, except if their inclusion proves to be anti-dilutive.

(n) Use of estimates and critical judgments

The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates and judgments. Those areas requiring the use of management estimates and judgments include:

Estimates

(i) Option or sale agreements, under which the Company may receive shares as payment, require the Company to determine the fair value of the shares and/or warrants received. Many factors can enter into this determination, including, if public shares, the number of shares received, the trading value of the shares, and volume of shares, and if non-public shares, the underlying asset value of the shares, or value of the claims under option or sale. This determination is subjective and does not necessarily provide a reliable single measure of the fair value of the shares received.

(ii) The determination of the fair value of stock options or warrants using the Black-Scholes model requires the input of highly subjective variables, including expected price volatility. Wide fluctuations in the variables could materially affect the fair value estimate; therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company’s stock options and warrants.

(iii) Depreciation expenses are allocated based on the economic lives of capital assets and depreciation rates. Should the economic life or depreciation rate differ from the initial estimate, an adjustment would be made in the statements of loss and comprehensive loss.

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

(n) Use of estimates and critical judgments (continued)

Judgments

(i) Recorded costs of mineral property interests are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that changes in future conditions could result in material differences between the recorded costs and the present or future values of the properties. Management is required, at each reporting date, to review its mineral property interests for signs of impairment. This is a highly subjective process taking into consideration exploration results, metal prices, economics, financing prospects and sale or option prospects. Management makes these judgments based on information available, but there is no certainty that a property is or is not impaired. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

(ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

(o) Standards issued but not yet effective

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2019. Many of these updates are not applicable or consequential to the Company and have been excluded from the discussion below.

Effective for annual periods beginning on or after January 1, 2019.

- New standard IFRS 16 - *Leases*

IFRS 16, Leases ("IFRS 16") was issued by the IASB on January 13, 2016, and will replace IAS 17, Leases. It is effective for annual periods beginning on or after January 1, 2019, with earlier application permitted. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, IFRS 16 requires a single, on-balance sheet accounting model that is similar to current finance lease accounting. Leases become an on-balance sheet liability that attract interest, together with a new asset.

The Company has no leases and has initially assessed that there will be no material reporting changes as a result of adopting IFRS 16.

- New Interpretation IFRIC 23 - *Uncertainty over Income Tax Treatments*

On June 7, 2017, the IASB issued IFRIC Interpretation 23 - *Uncertainty over Income Tax Treatments*. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company has not yet determined the extent of the impact of adoption of the Interpretation.

3. Cash and cash equivalents

Cash and cash equivalents consists of the following:

	November 30, 2018	November 30, 2017
	$	$
Cash	41,355	90,174
Guranteed investment certificate	170,000	1,050,000
	211,355	1,140,174

(Expressed in Canadian Dollars)

4. Receivables and prepayments

Receivables and prepayments consists of the following:

	November 30, 2018	November 30, 2017
	$	$
Sales tax recoverable	7,906	21,621
Other receivables	24,654	73,673
Prepaid expenses	14,124	9,549
	46,684	104,843

5. Marketable securities

Marketable securities consist of common shares received on the option of mineral property interests. During the year ended November 30, 2017, the Company received 1,000,000 common shares of Silver Range Resources Ltd. (“Silver Range”) at a fair value of $200,000 pursuant to the Silver Range option agreement as detailed in Note 6(a)(ii)(iii)). As at November 30, 2018, the Company also holds common shares in a private company carried at a fair value of $1.

During the year ended November 30, 2018, the Company recorded an unrealized loss on the Silver Range common shares in the amount of $60,000 (2017 - $45,000).

As at November 30, 2018, the fair value of the Company’s marketable securities was $95,001 (2017 - $155,001).

The valuation of the shares with an active market has been determined in whole by reference to the bid price of the shares on the Exchange at each year end date.

(Expressed in Canadian Dollars)

6. Mineral property interests

The Company's mineral property interests consist of exploration stage properties located in Canada (Northwest Territories, Nunavut, and British Columbia).

Changes in the project carrying amounts for the year ended November 30, 2018 is summarized as follows:

	November 30, 2017	Reclamation bond reclassification	November 30, 2017 reclassified	Transfer of project (Note 6(ii))	Acquisitions / staking	Exploration and evaluation (recovery)	November 30, 2018
	$	$	$	$	$	$	$
Fishback Lake	59,770	(7,800)	51,970	-	-	1,709	53,679
CH	604,051	(30,000)	574,051	(14,151)	-	74,005	633,905
Bishop	-	-	-	14,151	71,138	132,784	218,073
Rhombus	-	-	-	-	51,100	109,089	160,189
Zeus	-	-	-	-	35,398	11,648	47,046
Providence Greenstone Belt	467,439	(26,600)	440,839	-	-	(1,158)	439,681
Stein	-	-	-	-	-	6,460	6,460
McConnell Creek	687,001	(12,000)	675,001	-	5,048	56,406	736,455
Total	**1,818,261**	**(76,400)**	**1,741,861**	**-**	**162,684**	**390,943**	**2,295,488**

	November 30, 2017	Reclamation bond reclassification	November 30, 2017 (reclassified)	Net additions	November 30, 2018
	$	$	$	$	$
Acquisitions / staking	155,088	-	155,088	162,684	317,772
Exploration and evaluation (recovery)	1,663,173	(76,400)	1,586,773	390,943	1,977,716
Total	**1,818,261**	**(76,400)**	**1,741,861**	**553,627**	**2,295,488**

(Expressed in Canadian Dollars)

6. Mineral property interests (continued)

Changes in the project carrying amounts for the year ended November 30, 2017 are summarized as follows:

	November 30, 2016	Reclamation bond reclassification	Exploration and evaluation (recovery)	Option proceeds	November 30, 2017 (reclassified)
	$	$	$	$	$
Fishback Lake	58,061	(7,800)	1,709	-	51,970
CH	624,126	(30,000)	80,925	(101,000)	574,051
Providence Greenstone Belt	639,549	(26,600)	(39,910)	(132,200)	440,839
McConnell Creek	687,001	(12,000)	-	-	675,001
Total	**2,008,737**	**(76,400)**	**42,724**	**(233,200)**	**1,741,861**

	November 30, 2016 (reclassified)	Net additions (recoveries)	November 30, 2017 (reclassified)
	$	$	$
Acquisitions/staking	155,088	-	155,088
Exploration and evaluation (recovery)	1,777,249	(190,476)	1,586,773
Total	**1,932,337**	**(190,476)**	**1,741,861**

Exploration and evaluation expenditures on the projects for the years ended November 30, 2018 and 2017 consisted of the following:

	November 30, 2018	November 30, 2017
	$	$
Assays	8,886	-
Field	65,432	42,724
Labour	131,221	-
Survey and consulting	179,906	-
Travel and accommodation	5,498	-
Total	**390,943**	42,724

(a) Wholly-owned projects

(i) Fishback Lake, Northwest Territories, Canada

The Company owns one claim. This claim is a mining lease.

6. **Mineral property interests** (continued)

(a) Wholly-owned projects (continued)

(ii) CH, Northwest Territories, Canada

The Company owns various claims north-northeast of Yellowknife, acquired by staking during the years 2000 to 2003. These claims include the Courageous, Starfish, Winterlake North, Winterlake South, BP, Zip and Mill claims, all of which are leases. The Courageous lease has been moved to the Bishop group of claims. (See Note 6(iv)).

The Company signed an agreement dated September 6, 2017 with Silver Range whereby Silver Range had the optional right to explore the Company's PGB project (certain CH and PGB claims) for all metals and minerals, except for diamonds in return for:

- a cash payment of $33,200 (received);
- issuance of 1,000,000 Silver Range common shares (received, at an initial fair value of $200,000);
- surveying certain claims to take them to lease (completed);
- a commitment to maintain all mineral claims and leases for the entire PGB project in good standing until August 1, 2018;
- a commitment to make annual lease payments for all portions of the PGB project Silver Range maintains under option in subsequent years and a $1,000,000 milestone payment upon completion of a Preliminary Economic Assessment relating to a deposit(s) located within the PGB project.

The Company retained ownership of the PGB Property and the exploration camp on it.

During the year ended November 30, 2017, Silver Range staked five claims within the area of interest of the PGB project. During the year ended November 30, 2018, these claims were registered in the Company's name as per the agreement with Silver Range. The claims are added into claims referenced in Note 6(iii).

The option agreement was terminated in April 2018.

(iii) Providence Greenstone Belt ("PGB"), Northwest Territories, Canada

The Company owns five claims and 11 leases in the PGB area of the Northwest Territories. These claims and leases lie within an extensive belt of rocks previously identified by a mapping project funded by the Geological Survey of Canada and reported as having the potential for hosting magmatic nickel mineralization.

During the year ended November 30, 2017, the 11 leases were surveyed as part of the lease application process. The surveying costs were paid for by Silver Range as per the September 6, 2017 agreement (see Note 6(ii)), resulting in a recovery of exploration and evaluation costs of $172,110. During the year ended November 30, 2018, all 11 leases were issued by the Mining Recorder and received by the Company.

(iv) Bishop, Northwest Territories, Canada

During the year ended November 30, 2018, the Company staked 37 claims in the Northwest Territories. Total holdings in this group are the 37 claims and the Courageous lease (Note 6(ii)). The claims are centered 55 kilometers south-southwest of the Ekati Diamond Mine and 40 kilometers southwest of the Diavik Diamond Mine.

(v) Rhombus, Northwest Territories, Canada

During the year ended November 30, 2018, the Company staked 25 claims located 40 kilometres northwest of the Ekati Diamond mine.

(vi) Zeus, Northwest Territories, Canada

During the year ended November 30, 2018, the Company staked 22 claims covering a portion of Lac de Gras and the north shore.

6. Mineral property interests (continued)

(a) Wholly-owned projects (continued)

(vii) McConnell Creek, British Columbia, Canada

The Company owns 4 mineral claims (2017 – 2 mineral claims) in the Omineca Mining Division of British Columbia. The Company acquired the additional claims during the year ended November 30, 2018 by way of staking.

During the year ended November 30, 2018, the Company accrued British Columbia Mining Exploration Tax Credit ("BCMETC") recoveries of $24,120, which are included in other receivables. During the year ended November 30, 2018, the Company received a BCMETC refund of $422, which was accrued and included in other receivables as at November 30, 2017.

(b) Projects under option

Stein, Nunavut, Canada

During the year ended November 30, 2018, the Company entered into an Option Agreement with Arctic Star Exploration Corp. ("Arctic Star") to earn a 60% interest in Arctic Star's wholly-owned Stein Diamond Project in Nunavut, Canada. The Stein Diamond Project consists of 4 contiguous prospecting permits covering an area of 1,065 square kilometers on the Southern Boothia Peninsula, 45 kilometers from tide water, and 85 kilometers northwest of the community of Taloyoak. The Company can acquire a 60% undivided interest in the Stein Diamond Property by conducting detailed ground geophysics on high priority airborne targets, discovering kimberlite by drilling, trenching or in outcrop, and by converting prospecting permits to mineral claims by February 1, 2020. Should kimberlite be discovered, a Joint Venture would be formed with an initial 60/40 contributing relationship. The project has a Class A land use permit that includes drilling.

(c) Other interests

Net Smelter Royalty ("NSR")

During the year ended November 30, 2013, the Company sold 9 of its mineral leases and 2 reinstated leases, including Bob Camp, to Kennady Diamonds Inc. ("Kennady"), for $150,000 cash and a retained 1.5% NSR on all the leases, except for one where the Company retains a 0.5% NSR. Kennady has the right, at any time prior to commencement of production from the property, to purchase one-third of the NSR, being 0.5%, for the sum of $2,000,000.

During the year ended November 30, 2016, the Company sold its interest in the remaining six leases to Kennady for $200,000. The Company retains a 0.75% NSR on all mineral products produced from the property. Kennady has the right at any time prior to commencement of production from the property to purchase one-third (1/3) of the NSR, being 0.25%, for the sum of $1,000,000.

7. Reclamation bonds

The Reclamation bonds are pledged to the Ministry of Energy, Mines and Petroleum Resources of BC and the Government of the Northwest Territories. They are invested in guaranteed investment certificates with one-year terms that automatically renew. As at November 30, 2018, accrued interest on these bonds totals $506 (November 30, 2017 - $410) and has been included in other receivables (Note 4). Management has determined that the Company has no material reclamation work related to the properties requiring the deposits.

(Expressed in Canadian Dollars)

8. Property and equipment

	Office furniture	Exploration equipment	Total
	$	$	$
Cost			
December 1, 2016	17,879	390,845	408,724
Additions	-	2,183	2,183
Disposals	-	(640)	(640)
November 30, 2017	17,879	392,388	410,267
Accumulated depreciation			
December 1, 2016	17,137	350,216	367,353
Depreciation	149	8,545	8,694
Disposals	-	(554)	(554)
November 30, 2017	17,286	358,207	375,493
Cost			
December 1, 2017, and November 30, 2018	**17,879**	**392,388**	**410,267**
Accumulated depreciation			
December 1, 2017	17,286	358,207	375,493
Depreciation	90	6,865	6,955
November 30, 2018	**17,376**	**365,072**	**382,448**
Net book value			
November 30, 2017	593	34,181	34,774
November 30, 2018	**503**	**27,316**	**27,819**

Depreciation is recorded on the statements of loss and comprehensive loss as $90 (2017 - $113) within general and administrative expenses, and $6,865 (2017 - $8,581) within property examination costs.

(Expressed in Canadian Dollars)

9. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. All issued shares are fully paid.

On September 21, 2017, the Company completed a five-old for one-new consolidation of all of the issued and outstanding common shares. The consolidation and trading of the post-consolidated common shares began on September 21, 2017. All share and per share amounts, stock options and warrants were retroactively adjusted to give effect to the consolidation.

Transactions for the issue of share capital during the year ended November 30, 2018:

There were no transactions for the issue of share capital during the year ended November 30, 2018.

Transactions for the issue of share capital during the year ended November 30, 2017:

During the year ended November 30, 2017, the Company completed a private placement of 15,000,000 non-flow-through common shares at $0.10 per common share for gross proceeds of $1,500,000 (share issue costs of $9,507).

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to the units sold in completed private placements.

A summary of the status of the Company's warrants as at November 30, 2018 and 2017, and changes during the years then ended is as follows:

	Year ended November 30, 2018		Year ended November 30, 2017	
	Warrants	Weighted average exercise price	Warrants	Weighted average exercise price
	#	$	#	$
Warrants outstanding, beginning of year	527,000	1.54	623,000	1.70
Expired	(527,000)	1.54	(96,000)	2.50
Warrants outstanding, end of year	**-**	**-**	527,000	1.54

(Expressed in Canadian Dollars)

9. Share capital (continued)

Stock options

The Company has a Stock Option Plan (the "Plan") whereby the Company may grant stock options to purchase up to 10% of the issued capital of the Company at the time of the grant of any option. Under the policies of the Exchange, options granted under the 10% rolling plan will not be required to include the mandatory vesting provisions required by the Exchange for a fixed number stock option plan, except for stock options granted to investor relations consultants which vest over 12 months. Awarded stock options are exercisable over a period not exceeding five years at exercise prices determined by the Board of Directors based on the most recent trading prices and subject to the Exchange policies.

A participant who is not a consultant conducting investor relations activities, who is granted an option under the plan with exercise prices at or above "Market Price" will have their options vest immediately, unless otherwise determined by the Board of Directors. A participant who is a consultant conducting investor relations activities who is granted options under the plan will become vested with the right to exercise one-quarter of the options upon conclusion of every three months subsequent to the grant date.

A summary of the status of the Company's stock options as at November 30, 2018 and 2017, and changes during the years then ended is as follows:

	Year ended November 30, 2018		Year ended November 30, 2017	
	Options	Weighted average exercise price	Options	Weighted average exercise price
	#	$	#	$
Options outstanding, beginning of year	1,725,000	0.18	450,000	0.25
Granted	-	-	1,275,000	0.15
Options outstanding, end of year	**1,725,000**	**0.18**	1,725,000	0.18

As at November 30, 2018, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Weighted average exercise price $	Weighted average remaining life (years)	Expiry date
450,000	450,000	0.25	2.00	November 30, 2020
1,275,000	1,275,000	0.15	3.94	November 6, 2022
1,725,000	**1,725,000**	**0.18**	**3.43**	

No stock options were granted during the year ended November 30, 2018.

On November 6, 2017, 1,275,000 stock options were granted to Officers, Directors, and consultants, with an exercise price of $0.15 per share until November 6, 2022. The options vested one-quarter every three months from the grant date. The fair value of the options on grant date was determined using the Black-Scholes option pricing model using the following weighted average assumptions: expected life of options - five years, stock price volatility – 172.06%, no dividend yield, and a risk-free interest rate yield of 1.63%. Using the above assumptions, the fair value of options on grant date was $0.118 per option, for a total of $150,258.

The total share-based payment expense for the year ended November 30, 2018, was $129,389 (2017 – $20,869), and includes only the stock options that vested during the year.

Contributed surplus

Contributed surplus is comprised of the accumulated fair value of stock options recognized as share-based payments and share purchase warrants recognized within share issue costs. Contributed surplus is increased by the fair value of these items on vesting and is reduced by corresponding amounts when stock options or share purchase warrants expire, are exercised, or cancelled.

10. Loss per share

The calculation of basic and diluted loss per share for the year ended November 30, 2018, is based on the loss attributable to common shareholders of $527,272 (2017 - $171,716) and a weighted average number of common shares outstanding of 22,096,949 (2017 – 8,370,922).

All stock options and warrants were excluded from the diluted weighted average number of shares calculation for the years presented, as their effect would have been anti-dilutive.

11. Related party payables and transactions

The Company's related parties include key management personnel and Directors, and companies in which they have control or significant influence over the financial or operating policies of those entities.

There were no stock options granted to key management personnel and Directors during the year ended November 30, 2018.

During the year ended November 30, 2017, 1,075,000 stock options were granted to key management personnel and Directors having a fair value on issue of $126,688. The options granted are exercisable at $0.15 each until November 6, 2022 and vested over a one-year period that ended on November 6, 2018.

Strategic Metals Ltd. ("Strategic") subscribed for 10,000,000 common shares ($1,000,000) of the private placement mentioned in Note 9, and had loaned $100,000 to the Company without interest (the loan was repaid from the private placement proceeds). After the private placement, Strategic held a 45.26% interest in the Company, which remains unchanged as at November 30, 2018. The Company and Strategic have certain common officers, and the large share position of Strategic in the Company gives it control of the Company.

The Company transacted with the following related parties:

(a) David Kelsch is a Director of the Company, as well as the President and Chief Operating Officer. He, and a related business, provide consulting services to the Company, as well as technical and professional services.

(b) Douglas Eaton is a Director and the Company's CEO. He is a shareholder of and has significant influence over Archer, Cathro & Associates (1981) Limited ("Archer Cathro"), which is a geological consulting firm. Archer Cathro provides the Company with geological consulting services as required, and office rent and administration. He is also a Director, President and CEO of Strategic.

(c) Glenn Yeadon is a Director and Corporate Secretary of Strategic. He controls Glenn R. Yeadon Personal Law Corporation ("Yeadon Law Corp."), which provides the Company with legal services.

(d) Larry Donaldson is the Company's CFO. He is a partner of Donaldson Grassi, Chartered Professional Accountants, a firm in which he has significant influence. Donaldson Grassi provides the Company with accounting and tax services. He is also CFO of Strategic.

(e) Drechsler Consulting Ltd. is controlled by Richard Drechsler, who is Vice-President of Communications for Strategic. Drechsler Consulting Ltd. provides consulting services to the Company.

(f) Linda Knight is the Corporate Secretary of the Company.

(g) Ray Hrkac is a former Director and former President of the Company who had provided consulting services in prior years.

(h) Others - During the year ended November 30, 2017, two Directors and the wholly-owned company of another Director advanced the Company a total of $71,342 to pay tenure costs and other corporate overhead costs. These loans bore interest at 8% per year. The principal and interest of $2,134 was repaid during the year ended November 30, 2017. A wholly-owned management company of another director provided some administrative services to the Company from 2015 to November 30, 2017. The fees charged for those services totaled $9,750 and were billed in 2017, of which $1,244 remained payable at November 30, 2017.

(Expressed in Canadian Dollars)

11. Related party payables and transactions (continued)

The aggregate value of transactions and outstanding balances with related parties are as follows:

	Transactions Year ended November 30, 2018 $	Transactions Year ended November 30, 2017 $	**Balances outstanding November 30, 2018 $**	Balances outstanding November 30, 2017 $
David Kelsch				
- geological services	143,725	3,400	9,460	3,400
- consulting fees	55,675	8,925	7,136	8,925
	199,400	12,325	16,596	12,325
Archer Cathro	21,496	2,487	3,899	2,487
Yeadon Law Corp	17,120	4,000	5,132	4,000
Donaldson Grassi	34,300	6,500	11,500	6,500
Drechsler Consulting Ltd.	14,715	-	662	-
Linda Knight	69,019	-	3,506	-
Ray Hrkac	-	-	-	50,000
Others	-	9,750	-	1,244
	356,050	35,062	**41,295**	76,556

All related party balances are unsecured and are due within thirty days without interest.

The transactions with the key management personnel and Directors are included in operating expenses as follows:

(a) Management, administrative and corporate development fees
- Includes the consulting fees charged to the Company by David Kelsch Consulting Ltd. and a related business.
- Includes the consulting fees charged to the Company by Drechsler Consulting Ltd.
- Includes the accounting and administrative services charged to the Company by Linda Knight.
- Includes charges to the Company by Archer Cathro for administrative personnel.

(b) Office rent
- Includes office rent charged to the Company by Archer Cathro.

(c) Professional fees
- Includes legal services charged to the Company by Yeadon Law Corp.
- Includes the accounting services charged to the Company by Donaldson Grassi.

(Expressed in Canadian Dollars)

12. Income taxes

Income tax recovery varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	November 30, 2018 $	November 30, 2017 $
Loss for the year	(527,272)	(216,716)
Statutory Canadian corporate tax rate	27.00%	27.00%
Anticipated income tax recovery	142,000	59,000
Change in tax resulting from:		
Unrecognized items for tax purposes	(43,000)	(24,000)
Income tax rate changes	-	195,000
Tax benefits on losses not recognized	(99,000)	(230,000)
Income tax recovery	-	-

In September 2017, the British Columbia (BC) Government proposed changes to the general corporate income tax rate to increase the rate from 11% to 12% effective January 1, 2018 and onwards. This change in tax rate was substantively enacted on October 26, 2017. The relevant deferred tax balances have been remeasured to reflect the increase in the Company's combined Federal and Provincial (BC) general corporate income tax rate from 26% to 27%.

The significant components of the Company's unrecognized deferred tax assets are as follows:

	November 30, 2018 $	November 30, 2017 $
Mineral property interests	3,973,000	4,043,000
Marketable securities	18,000	-
Property and equipment	138,000	136,000
Non-capital loss carry forwards	1,301,000	1,229,000
Capital losses	1,000	1,000
Share issue costs	2,000	2,000
Unrecognized deferred tax assets	(5,433,000)	(5,411,000)
Net deferred tax assets	**-**	-

As at November 30, 2018, the Company has non-capital loss carry forwards of approximately $4,817,000 (2017 - $4,535,000) which expire between 2026 and 2038.

As at November 30, 2018, the Company has unused capital losses of $8,000 (2017 - $8,000), which have no expiry date and can only be used to reduce future income from capital gains.

As at November 30, 2018, the Company has unclaimed resource and other deductions in the amount of $17,004,000 (2017 - $16,400,000), which may be deducted against future taxable income.

As at November 30, 2018, the Company has share issue costs totaling $6,000 (2017 - $8,000), which have not been claimed for income tax purposes.

As at November 30, 2018, the Company has unused temporary differences in respect of property and equipment totaling $513,000 (2017 - $505,000), which have no expiry.

Income tax attributes are subject to review, and potential adjustments, by tax authorities.

(Expressed in Canadian Dollars)

13. Supplemental cash flow information

Changes in non-cash operating working capital during the years ended November 30, 2018 and 2017, were comprised of the following:

	November 30, 2018	November 30, 2017
	$	$
Receivables and prepayments	82,279	(77,552)
Accounts payable and accrued liabilities	(82,249)	(50,424)
Accounts payable to related parties	33,276	25,234
Net Change	**33,306**	(102,742)

The Company incurred non-cash investing activities during the years ended November 30, 2018 and 2017, as follows:

	November 30, 2018	November 30, 2017
	$	$
Non-cash investing activities:		
Share proceeds on option of mineral property interest	-	200,000
Marketable securities acquired on option of mineral property interest	-	(200,000)
Deferred exploration expenditures included in BCMETC	(24,120)	-
Deferred exploration expenditures included in accounts payable and related party payables	24,547	77,997
	427	77,997

During the year ended November 30, 2018 $nil (2017 - $3,239) was paid for interest and $nil (2017 - $nil) was paid for income tax expenses.

14. Segmented information

The Company is involved in mineral exploration and evaluation activities, which are conducted in Canada. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results for each of the years ended November 30, 2018 and 2017.

15. Financial risk management

Capital management

The Company is a resource exploration company and considers items included in shareholders' equity as capital. The Company has no debt and does not expect to enter into debt financing. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at November 30, 2018, is comprised of shareholders' equity of $2,660,396 (November 30, 2017 - $3,058,279).

The Company currently has no source of revenues. In order to fund future projects and pay for general and administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral property interests and its ability to borrow or raise additional financing from equity markets (see Note 1).

There were no changes to the Company's capital management approach during the year ended November 30, 2018.

(Expressed in Canadian Dollars)

15. Financial risk management (continued)

Financial instruments - fair value

The Company's financial instruments consist of cash and cash equivalents, other receivables, marketable securities, reclamation bonds, accounts payable and accrued liabilities, and accounts payable to related parties. The carrying value of other receivables, accounts payable and accrued liabilities, and accounts payable to related parties, approximate their fair value because of the short-term nature of these instruments.

Financial instruments measured at fair value on the statements of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

	Level 1	Level 2	Level 3	Total
	$	$	$	$
November 30, 2018				
Cash and cash equivalents	211,355	-	-	211,355
Marketable securities	95,000	-	1	95,001
Reclamation bonds	76,400	-	-	76,400
	382,755	**-**	**1**	**382,756**
November 30, 2017				
Cash and cash equivalents	1,140,174	-	-	1,140,174
Marketable securities	155,000	-	1	155,001
Reclamation bonds	76,400	-	-	76,400
	1,371,574	-	1	1,371,575

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk and market and currency risk.

(a) Credit risk

The Company is exposed to credit risk by holding cash and cash equivalents. All of the Company's cash and cash equivalents are held in a Canadian financial institution, and management believes the exposure to credit risk with respect to such an institution is not significant. The Company has minimal receivables exposure as its refundable tax credits and other receivables are due from Canadian Governments.

(b) Interest rate risk

The Company is not exposed to interest rate risk as it does not hold financial securities or debt that would be impacted by fluctuating interest rates other than its cash and cash equivalents which are subject to variable rates. Fluctuations in market rates would have an insignificant impact on the Company's operations.

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due (see Note 1). The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

15. Financial risk management (continued)

(d) Market risk

The Company is exposed to market risk because of fluctuating values of its publicly traded marketable securities. The Company has no control over these fluctuations and does not hedge its investments. Based on the November 30, 2018 value of marketable securities, every 10% fluctuation in the share prices of these companies would impact profit or loss for the year, up or down, by approximately $9,500, (2017 - $15,500) before income taxes.

(e) Currency risk

The Company conducts minimal transactions in foreign currencies and currency risk is not considered significant.