Condensed Consolidated Interim Financial Statements

March 31, 2019

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited interim financial statements have been prepared by management.

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

Tarku Resources Ltd.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars)

	March 31, 2019 (Unaudited)	September 30, 2018 (Audited)
Current		
Cash and cash equivalents	$ 85,479	$ 57,889
Trade and other receivables	25,447	37,438
	110,926	95,327
Non-current		
Exploration and evaluation assets (note 3)	802,082	703,991
Total assets	$ 913,008	$ 799,318
Liabilities		
Current		
Trade and other payables (note 6)	$ 190,380	$ 107,295
Flow-through premium liability (note 4)	8,763	17,400
	199,143	124,695
Equity		
Share capital (note 4)	4,075,380	3,788,128
Contributed surplus	269,936	190,736
Deficit	(3,631,451)	(3,304,241)
	713,865	674,623
Total liabilities and equity	$ 913,008	$ 799,318

Nature of business and continuance of operations (note 1)
Events after the reporting period (note 12)

APPROVED ON BEHALF OF THE BOARD

“Julien Davy”	**"Jeff Sheppard"**
President, CEO & Director	**CFO & Director**

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

Tarku Resources Ltd.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2019	2018	**2019**	2018
Expenses				
Administrative expenses (note 6)	**$22,385**	$24,650	**$38,153**	$53,994
Consulting fees (note 6)	**39,360**	64,360	**78,720**	118,720
Exploration costs (notes 3 and 6)	**122,270**	386,070	**144,911**	492,361
Investor Relations expenses	**4,576**	22,336	**14,924**	31,438
Listing and filing fees	**13,289**	11,878	**14,819**	15,908
Professional fees	**11,972**	11,937	**13,802**	24,603
Share-based compensation (note 4)	**79,200**	-	**79,200**	-
	(293,052)	(521,231)	**(384,529)**	(737,024)
Gain on disposal of exploration and evaluation asset	**-**	-	**2,499**	-
Other income – flow-through premium (note 5)	**48,567**	27,000	**54,820**	38,925
Loss and comprehensive loss for the period	**$(244,485)**	$(494,231)	**$(327,210)**	$(698,099)
Basic and diluted loss per share	**(0.00)**	(0.01)	**(0.00)**	(0.01)
Weighted average number of shares outstanding basic and diluted	**74,824,621**	59,829,342	**71,438,733**	32,436,145

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

Tarku Resources Ltd.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian Dollars)

For the Six months ended March 31,	**2019**	**2018**
Operating activities		
Loss for the period	$(327,210)	$(698,099)
Adjustments:		
Gain on disposal of exploration and evaluation asset	(2,499)	-
Other income - flow-through premium	(54,820)	(38,925)
Share based compensation	79,200	-
Changes in non-cash working capital items:		
Prepaid	-	1,100
Trade and other receivables	11,990	10,234
Trade and other payables	83,086	(131,363)
	(210,253)	(594,327)
Financing activities		
Cash received from share issuance	283,550	321,000
Share issue costs	(17,615)	(11,632)
	265,935	309,368
Investing activities		
Proceeds on disposal of exploration and evaluation asset	2,500	-
Additions to exploration and evaluation assets	(30,592)	(10,102)
	(28,092)	(10,102)
(Decrease) increase in cash and cash equivalents	27,590	(295,061)
Cash and cash equivalents, beginning of period	57,889	493,220
Cash and cash equivalents, end of period	$ 85,479	$ 198,159
Cash and Cash Equivalents consists of:		
Cash	$ 84,379	$ 180,559
Term Deposit	1,100	17,600
	$ 85,479	$ 198,159

Supplemental cash flow information (Note 13)

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

Tarku Resources Ltd.

Condensed Consolidated Interim Statements of Changes in Equity

(Expressed in Canadian Dollars)

	Number of Common Shares		Share Capital	Contributed Surplus	Deficit	Equity
Balance, September 30, 2017	**57,055,466**	**$**	**3,526,011**	**$ 180,336**	**$ (2,504,729)**	**$ 1,201,618**
Private placements	5,700,000		321,000	-	-	321,000
Flow-through premium liability	-		(27,000)	-	-	(27,000)
Share issue costs	-		(11,632)	-	-	(11,632)
Shares issued for mineral properties	25,000		1,250	-	-	1,250
Net loss and comprehensive loss	-		-	-	(698,099)	(698,099)
Balance, March 31, 2018	**62,780,466**	**$**	**3,809,629**	**$ 180,336**	**$ (3,202,828)**	**$ 787,137**

	Number of Common Shares		Share Capital	Contributed Surplus	Deficit	Equity
Balance, September 30, 2018	**62,780,466**	**$**	**3,788,128**	**$ 190,736**	**$ (3,304,241)**	**$ 674,623**
Private placements	11,868,331		283,550	-	-	283,550
Flow-through premium liability	-		(46,183)	-	-	(46,183)
Share issue costs	-		(17,615)	-	-	(17,615)
Share-based compensation	-		-	79,200	-	79,200
Shares issued for mineral properties	1,500,000		67,500		-	67,500
Net loss and comprehensive loss	-		-	-	(327,210)	(327,210)
Balance, March 31, 2019	**76,148,797**	**$**	**4,075,380**	**$ 269,936**	**$ (3,631,451)**	**$ 713,865**

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

(Expressed in Canadian dollars)

1. Nature of business and continuance of operations

The principal business activity of Tarku Resources Ltd. (the "Company") is the exploration for mineral resources in the provinces of Saskatchewan and Quebec. The Company's corporate office is located at Suite 602, 224 4th Ave S., Saskatoon, Saskatchewan.

The consolidated financial statements (the "financial statements") have been prepared on a going concern basis which assumes the Company will realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity to the public, will be sought to finance the operations of the Company. Although the Company has a history of raising money, there is no guarantee of this in the future. As a result, there exists material uncertainty which raises significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. Basis of preparation

(a) Statement of compliance

The Company's financial statements for the period ended March 31, 2019 are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the IASB, has been omitted or condensed.

The same accounting policies and methods of computation were followed in the preparation of these condensed interim financial statements as were followed in the preparation and described in Note 2 of the annual audited financial statements as at and for the year ended September 30, 2018. Accordingly, these condensed interim financial statements for the three and six month periods ended March 31, 2019 and 2018 should be read together with the annual financial statements as at and for the year ended September 30, 2018.

These financial statements were authorized for issue by the Board of Directors on May 24, 2019.

(b) Basis of consolidation

These financial statements include the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Subsidiary name	**Place of Incorporation**	**Ownership**	**Principal activity**
Eureka Exploration Inc. ("Eureka")	Quebec	100%	Exploration

3. Exploration and evaluation assets

Chateau Fort gold project, Quebec

On March 24, 2015, Anthem Resources Inc. ("Anthem"), a company related by a common director, signed a binding letter of intent ("LOI") to option its Chateau Fort gold project in central Quebec to the Company.

On July 27, 2015, Boss Power Corp. completed the acquisition of Anthem and changed its name to Eros Resources Corp. ("Eros"). The option agreement continues with Eros.

The Chateau Fort project comprises of 205 claims in the Bay James area along the all season road 167 to the Renard diamond mine.

The Company will have the option to acquire a 100% interest in the project, subject to reservations of diamonds on the claims identified as Melkior OJV and royalty interests on the project, by funding expenditures on the project, issuing shares and making cash payments, according to the following schedule:

(i) $5,000 deposit payable on execution of the LOI (paid);

(ii) make total cash payments of $95,000 and issue a total of 8,000,000 shares of the Company as follows:

   (1) on approval of the TSX Venture Exchange, no later than April 21, 2015, or such later date as mutually agreed upon, $10,000 in cash (paid) and 2,000,000 shares (issued);
   (2) on or before March 31, 2016, $20,000 in cash (unpaid) and 1,500,000 shares (unissued);
   (3) on or before March 31, 2017, $20,000 in cash and 1,500,000 shares;
   (4) on or before March 31, 2018, $20,000 in cash and 1,500,000 shares;
   (5) on or before March 31, 2019, $25,000 in cash and 1,500,000 shares;

(iii) fund expenditures of not less than $200,000 and renew claims in the amount of $25,000 (completed) on or before July 10, 2015 which expenditures will be a firm commitment.

The Company also has a requirement to complete a private placement financing of not less than $400,000 by April 21, 2015, of which Eros has deemed satisfied by way of the Company's private placement financing of $219,450 completed in June 2015.

Eros retains a 2% net smelter return ("NSR") royalty on claims not subject to other underlying agreements. The Company will have the right to buy down the royalty to 1% for $2,000,000 on or before commencement of commercial production. In addition, Eros retains the right to maintain its pro rata percentage ownership of the Company via future financings, and first right of refusal on third party offers to purchase the project.

On July 29, 2016, the project option agreement was amended as follows: 100% of the project was transferred to the Company with no other liabilities or consideration or commitments and the right to buy down the royalty to 1% was reduced from $2,000,000 to $500,000.

During the period ended March 31, 2019 the Company incurred $nil (September 30, 2018 - $2,671) in exploration expenditures in connection with this project and received $44 (September 30, 2018 - $24,218) exploration income tax credits ("ITCs") in connection with previous year's exploration expenditures.

3. Exploration and evaluation assets (continued)

Richardson gold project, Quebec
On June 1, 2017, the Company purchased 100% of Eureka, which owns 42 mining claims located 20 kilometers north-northeast of Chibougamau, Quebec.

During the period ended March 31, 2019 the Company incurred $nil (September 30, 2018 - $12,002) in exploration expenditures and received $512 (September 30, 2018 - $14,731) exploration ITCs in connection with previous years exploration expenditures.

Bullion gold project, Quebec
On June 1, 2017, the Company purchased 100% of Eureka, which owns 26 mining claims located 25 kilometers north-northeast of Chibougamau, Quebec.

During the period ended March 31, 2019 the Company incurred $nil (September 30, 2018 - $9,115) in exploration expenditures and received $299 (September 30, 2018 - $15,547) exploration ITCs in connection with previous years exploration expenditures.

Apollo gold project, Quebec
On June 1, 2017, the Company purchased 100% of Eureka, which owns 105 mining claims located 50 kilometers east from Matagami, Quebec.

During the period ended March 31, 2019 the Company incurred $22,429 (September 30, 2018 - $73,134) in exploration expenditures in connection with this project and received $3,314 (September 30, 2018 - $19) exploration ITCs in connection with previous years exploration expenditures.

Admiral gold project, Quebec
On June 1, 2017, the Company purchased 100% of Eureka, which owns 29 mining claims located 25 kilometers east from Matagami, Quebec.

On December 18, 2017 the Company entered into a purchase agreement, with an arms length party, to acquire a 100% undivided interest in 1 claim near the municipality of Matagami, Quebec.

Under the terms of the agreement the consideration required to be given by the company is:

1. $600 cash payment, in total, upon approval of the TSX Venture Exchange (Paid)
2. Issuance of 12,500 common shares, in total upon approval of the TSX Venture Exchange (Issued)

During the period ended March 31, 2019 the Company incurred $123,527 (September 30, 2018 - $25,391) in exploration expenditures in connection with this project.

3. Exploration and evaluation assets (continued)

Atlas gold project, Quebec

On June 1, 2017, the Company purchased 100% of Eureka, which owns 89 claims located 50 kilometers east from Matagami, Quebec.

On December 18, 2017 the Company entered into a purchase agreement, with an arms length party, to acquire a 100% undivided interest in 1 claim near the municipality of Matagami, Quebec.

Under the terms of the agreement the consideration required to be given by the company is:

1. $600 cash payment, in total, upon approval of the TSX Venture Exchange (Paid)
2. Issuance of 12,500 common shares, in total upon approval of the TSX Venture Exchange (Issued)

During the period ended March 31, 2019 the Company incurred $5,500 (September 30, 2018 - $55,339) in exploration expenditures in connection with this project and received $2,375 (September 30, 2018 - $nil) exploration ITCs in connection with previous years exploration expenditures.

Net Smelter Royalty

Each of the Eureka properties is subject to:

a. 1% NSR in favour of Julien Davy, a director and officer of the Company, half of which can be bought back by the Company for $500,000.

b. 1% NSR in favour of Benoit Lafrance, a director and exploration manager of the Company; half of which can be bought back by the Company for $500,000.

Lac Fabien project, Quebec

On February 18, 2019, the Company signed an option agreement with arm's length individuals, to acquire 100% of the Lac Fabien Project.

The Company will have the option to acquire a 100% interest in the project by funding expenditures on the project, issuing shares and making cash payments, according to the following schedule:

(i) make total cash payments of $720,000 and issue a total of 1,500,000 shares of the Company as follows:

(1) on execution of the option agreement and approval of the TSX Venture Exchange, $25,000 in cash (paid) and 1,500,000 shares (issued);
(2) $90,000 in cash before the 1st anniversary date;
(3) $125,000 in cash before the 2nd anniversary date;
(4) $180,000 in cash before the 3rd anniversary date;
(5) $300,000 in cash before the 4th anniversary date;

(iv) fund expenditures of not less than $1,100,000 according to the following schedule:
(1) $100,000 before the 1st anniversary date;
(2) $250,000 before the 2nd anniversary date:
(3) $350,000 before the 3rd anniversary date:
(4) $400,000 before the 4th anniversary date:

3. Exploration and evaluation assets (continued)

Lac Fabien project, Quebec **(continued)**

In addition, the Company will grant a 2% NSR, with the Company having the right to buy down the royalty to 1% for $1,500,000.

During the year period ended March 31, 2019 the Company incurred $nil in exploration expenditures in connection with this project.

Guercheville project, Quebec

On January 15, 2018, the Company signed an option and joint venture agreement with SOQUEM Inc., a subsidiary of Ressources Québec, to acquire 50% of the Guercheville Project.

According to the terms of the option agreement, signed on January 15, 2018 (the "Effective Date"), the Company has the option to acquire a 50% interest in the Guercheville Project by incurring $2,000,000 in exploration work over a period of three years according to the following schedule:

1. $350,000 by the first anniversary of the Effective Date;
2. $650,000 by the second anniversary of the Effective Date; and
3. $1,000,000 by the third anniversary of the Effective Date.

Upon acquisition of the 50% interest, SOQUEM Inc. and the Company will form a joint venture.

During the year ended September 30, 2018 the Company incurred $101,857 (2017 - $nil) in exploration expenditures in connection with this project. After completing the first exploration program the Company decided to cancel the option agreement.

Virgin River project, Saskatchewan

On January 15, 2014, the Company entered into an option agreement with Eagle Plains Resources Ltd. ("Eagle Plains") (related by virtue of common directors) to earn an undivided 60% interest in the Virgin River project situated in Saskatchewan subject to the following terms:

(i) make total cash payments of $500,000 to Eagle Plains as follows:

(1) $10,000 within 5 business days of the execution of the option agreement (paid);
(2) $25,000 on or before May 21, 2014 (paid);
(3) $50,000 on or before May 21, 2015 (unpaid);
(4) $75,000 on or before May 21, 2016 (unpaid);
(5) $100,000 on or before May 21, 2017 (unpaid);
(6) $120,000 on or before May 21, 2018 (unpaid);
(7) $120,000 on or before May 21, 2019 (unpaid);

(ii) issue a total of 1,200,000 common shares of the Company to Eagle Plains as follows:

(1) 200,000 on or before May 21, 2014 (issued);
(2) 200,000 on or before May 21, 2015 (unissued);
(3) 200,000 on or before May 21 2016 (unissued);
(4) 200,000 on or before May 21, 2017(unissued);
(5) 200,000 on or before May 21, 2018 (unissued);
(6) 200,000 on or before May 21, 2019 (unissued);

3. Exploration and evaluation assets (continued)

Virgin River project, Saskatchewan **- continued**
(iii) incur total expenditures of $5,000,000 on the Virgin River project as follows:

(1) $200,000 on or before May 21, 2015 (incurred);
(2) $500,000 on or before May 21, 2016 (not incurred);
(3) $800,000 on or before May 21, 2017(not incurred);
(4) $1,500,000 on or before May 21, 2018 (not incurred);
(5) $2,000,000 on or before May 21, 2019;

On August 16, 2016, the project option agreement was amended as follows: 100% of the project was transferred to the Company with no other liabilities or commitments. In consideration the Company issued 2,000,000 common shares, which were issued during the year ended September 30, 2017 (note 4(a)(i)). Eagle Plains will maintain a 2% NSR, with the Company having the right to buy down the royalty to 1% for $1,000,000 on or before commencement of commercial production.

During the year ended September 30, 2018 the Company incurred $nil (2017 - $732) in exploration expenditures in connection with this project. In addition the Company allowed the claims to expire, except 1 claim and has recorded a $100,000 impairment related to this property.

On December 10, 2018. The Company sold the Virgin river claims. As consideration, the Company received $2,500 cash and was granted a 1% net smelter royalty. Under the terms of the royalty, the purchaser can reduce the royalty by 50% in exchange for a cash payment of $500,000.

Berthiaume gold project, Quebec
On March 29, 2017, the Company acquired 29 mineral claims, in the municipality of Matagami, Quebec, from Marche des Capitaux The Ask (the "Ask") and Syndicated Capital Corp ("Syndicated"), two arms-length parties, subject to the following terms:

(i) $15,000 cash payment ($11,250 to the Ask, $3,750 to Syndicated) (paid); and
(ii) 800,000 common shares (600,000 shares to the Ask, 200,000 to Syndicated) (issued).

The Berthiaume project is subject to a 1% NSR royalty (0.75 % NSR to The Ask and 0.25% NSR to Syndicated) half of which may be bought back by the Company for $500,000 ($375,000 to The Ask and $125,000 to Syndicated).

During the period ended March 31, 2019 the Company incurred $nil (September 30, 2018 - $nil) in exploration expenditures in connection with this project. In addition the Company allowed the claims to expire and recorded a $nil (September 30, 2018 - $53,450) impairment related to this property.

(Expressed in Canadian dollars)

3. Exploration and evaluation assets (continued)

The following is a summary of changes to exploration and evaluation assets:

Projects	Balance at Sept. 30, 2017	Acquisitions and renewals	Impairment and disposal	Balance at Sept. 30, 2018
Chateau Fort	$ 220,420	$ 7,807	$ -	$ 228,227
Berthiaume	51,000	2,450	(53,450)	-
Richardson	70,529	2,917	-	73,446
Bullion	43,643	512	-	44,155
Apollo	161,798	5,670	-	167,468
Admiral	40,572	1,795	-	42,367
Atlas	145,315	3,012	-	148,327
Virgin River	100,001	-	(100,000)	1
	$ 833,278	**$ 24,163**	**$ (153,450)**	**$ 703,991**

Projects	Balance at Sept. 30, 2018	Acquisitions and renewals	Impairment and disposal	Balance at Mar. 31, 2019
Chateau Fort	$ 228,227	$ 1,484	$ -	$ 229,711
Berthiaume	-	-	-	-
Richardson	73,446	-	-	73,446
Bullion	44,155	250	-	44,405
Apollo	167,468	541	-	168,009
Admiral	42,367	-	-	42,367
Atlas	148,327	3,317	-	151,644
Lac Fabien	-	92,500		92,500
Virgin River	1	-	(1)	-
	$ 703,991	**$ 98,092**	**$ -**	**$ 802,082**

(Expressed in Canadian dollars)

3. Exploration and evaluation assets (continued)

The following is a summary of exploration and evaluation expenditures:

For the year ended September 30, 2018

	Chateau Fort	Richardson	Apollo	Atlas	Admiral	Bullion	Guercheville	Virgin River	General	Total
Data compilation and planning	$ 2,421	$ -	$ 1,992	$ 848	$ 391	$ -	$ 5,758	$ -	$ 6,609	**$ 18,019**
Drilling	-	-	-	-	-	-	96,099	-	-	**96,099**
Geological	250	9,663	6,067	4,115	-	5,342	-	-	19,250	**44,687**
Geochemical	-	-	65,075	50,376	-	-	-	-	-	**115,451**
Geophysical	-	-	-	-	25,000	-	-	-	-	**25,000**
Ground Stripping	-	2,339	-	-	-	3,773	-	-	-	**6,112**
Exploration ITC refund*	(24,218)	(14,731)	(19)	-	-	(15,547)	-	-	-	**(54,515)**
Total exploration expenditures	**$ (21,547)**	**$ 11,983**	**$ 73,115**	**$ 55,339**	**$ 25,391**	**$(6,432)**	**$ 101,857**	**$ -**	**$ 25,859**	**$ 250,853**

*Exploration input tax credits ("ITC") are received from the Quebec government for qualifiying exploration work. Expenditures incurred to satisfy flow through share issuance does not qualifiy for the the ITC.

(Expressed in Canadian dollars)

3. Exploration and evaluation assets (continued)

For the period ended March 31, 2019

	Chateau Fort	Richardson	Apollo	Atlas	Admiral	Bullion	Guercheville	Virgin River	General	Total
Data compilation and planning	$ -	$ -	$ 428	$ -	$ 4,685	$ -	$ -	$ -	$ -	**$ 5,113**
Drilling	-	-	-	-	116,271	-	-	-	-	**116,271**
Geological	-	-	-	-	2,572	-	-	-	-	**2,572**
Geochemical	-	-	-	-	-	-	-	-	-	**-**
Geophysical	-	-	22,000	5,500	-	-	-	-	-	**27,500**
Ground Stripping	-	-	-	-	-	-	-	-	-	**-**
Exploration ITC refund*	(44)	(512)	(3,314)	(2,376)	-	(299)	-	-	-	**(6,545)**
Total exploration expenditures	**$ (44)**	**$ (512)**	**$ 19,114**	**$ 3,124**	**$ 123,528**	**$ (299)**	**$ -**	**$ -**	**$ -**	**$ 144,911**

*Exploration input tax credits ("ITC") are received from the Quebec government for qualifiying exploration work. Expenditures incurred to satisfy flow through share issuance does not qualifiy for the the ITC.

4. Share capital

(a) Authorized

Unlimited common shares with no par value

Issued

(i) On March 29, 2017, 800,000 common shares were issued at a fair value of $36,000 ($0.045 per share) to The Ask and Syndicated, in total, pursuant to a property purchase agreement in respect of the Berthiaume project, Quebec (note 3).

(ii) On April 18, 2017, the Company completed a private placement for gross proceeds of $193,500 as follows: issued 3,870,000 non-flow-through units at a price of $0.05 per unit. Each unit consists of one non-flow-through common share and one-half share purchase warrant. Each full warrant entitles the holder to purchase one common share of the Company at a price of $0.08, expiring April 18, 2019. No value was attributed to the warrant component of the units sold. The Company incurred share issue costs of $19,715.

(iii) On June 1, 2017, 10,000,000 common shares were issued at a fair value of $450,000 ($0.045 per share) to the shareholders of Eureka pursuant to the Share Purchase Agreement.

(iv) On July 20, 2017, the Company completed a private placement for gross proceeds of $486,998 as follows: issued 6,533,299 non-flow-through units at a price of $0.06 per unit and 1,187,500 flow-through common shares at a price of $0.08 per flow-through share. Each non-flow through unit consists of one non-flow-through common share and one-half of a common share purchase warrant. Each full warrant will entitle the holder to purchase one common share of the Company at a price of $0.08, expiring July 20, 2020. In connection with the flow-through portion of the financing completed, a total of $29,688 ($0.025 per share) was allocated as a flow-through premium liability (note 4(e)), whereas a residual value of $32,666 ($0.005 per unit) was allocated to the warrant component of the non-flow-through unit portion of the financing. The Company incurred share issue costs of $30,595.

(v) On September 11, 2017, the Company completed a private placement for gross proceeds of $138,040 as follows: issued 2,084,000 non-flow-through units at a price of $0.06 per unit and 162,500 flow-through common shares at a price of $0.08 per flow-through share. Each non-flow through unit consists of one non-flow-through common share and one-half of a common share purchase warrant. Each full warrant will entitle the holder to purchase one common share of the Company at a price of $0.08, expiring September 11, 2020. In connection with the flow-through portion of the financing completed, a total of $4,063 ($0.025 per share) was allocated as a flow-through premium liability (note 4(e)), whereas a residual value of $10,420 ($0.005 per unit) was allocated to the warrant component of the non-flow-through unit portion of the financing. The Company incurred share issue costs of $1,087. As at September 30, 2017, $5,000 from the offering remains outstanding and has been included in trade and other receivables.

(Expressed in Canadian dollars)

4. Share capital (continued)

(vi) On February 21, 2018, the Company completed a private placement for gross proceeds of $321,000 as follows: issued 3,900,000 non-flow-through units at a price of $0.05 per unit and 1,800,000 flow-through common shares at a price of $0.07 per flow-through share. Each non-flow through unit consists of one non-flow-through common share and one-half of a common share purchase warrant. Each full warrant will entitle the holder to purchase one common share of the Company at a price of $0.10, expiring February 21, 2020. In connection with the flow-through portion of the financing completed, a total of $36,000 ($0.02 per share) was allocated as a flow-through premium liability (note 4(e)). No value was attributed to the warrant component of the units sold. The Company incurred share issue costs of $24,133.

(vii) On November 23, 2018, the Company closed a private placement for gross proceeds of $283,550. The private placement consisted of 7,250,000 non-flow through units and 4,618,331 flow-through shares. Each non-flow through unit consisted of one common share and one-half of one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of $0.05 per common share for a period of eighteen months, expiring on May 23, 2021. In connection with the flow-through portion of the financing completed, a total of $46,183 ($0.01 per share) was allocated as a flow-through premium liability (note 4(e)). No value was attributed to the warrant component of the units sold. The Company incurred share issue costs of $17,615.

(viii) On February 27, 2019, 1,500,000 common shares were issued at a fair value of $67,500 ($0.045 per share) to non-arm's length vendors, in total, pursuant to a property option agreement in respect of the Lac Fabien project, Quebec (note 3).

(b) Stock option Plan

The Company has a stock option plan (the "Plan") whereby options to purchase common shares are granted by the board of directors to directors, officers, employees and consultants to the Company. Under the terms of the Plan, the Company has reserved an amount of common shares for options up to 10% of the issued and outstanding number of common shares. Options granted under the Plan are non-transferable; expire no later than the tenth anniversary of the date the option is granted and must comply with the requirements of the regulatory authorities. Options granted under the Plan are subject to vesting terms determined by the board.

A summary of the changes to outstanding and exercisable stock options during the periods ended March 31, 2019 and September 30, 2018 is presented below.

	March 31, 2019			September 30, 2018		
	Options		Price	Options		Price
Beginning of period	2,750,000	$	0.10	2,750,000	$	0.10
Options granted	3,600,000		0.10	-		-
End of period	**6,350,000**	**$**	**0.10**	2,750,000	$	0.10

As at March 31, 2019, the weighted average remaining life of stock options is 3.93 years (September 30, 2018 – 3.07).

(Expressed in Canadian dollars)

4. Share capital (continued)

(b) Stock option Plan (continued)

On October 26, 2016, the board of directors of the Corporation approved the grant of 2,750,000 stock options pursuant to the Plan. 2,250,000 of the options were granted to directors and executive officers with the balance granted to consultants and the advisory board. The options are exercisable at $0.10 per share, vest immediately and, if not exercised, expire October 26, 2021, subject to earlier expiration in accordance with the Plan and applicable policies of the TSX Venture Exchange.

The value of options issued on October 26, 2016, using the Black-Scholes option pricing model, was $123,750 which was allocated to the share-based compensation expense with a corresponding increase in contributed surplus. Assumptions used in the pricing model for the year are as follows: risk-free interest rate of 0.62%, expected life of 5 years, annualized volatility 159.32%, and dividend rate of nil.

On March 13, 2019, the board of directors of the Corporation approved the grant of 3,600,000 stock options pursuant to the Plan. 3,600,000 of the options were granted to directors and executive officers with the balance granted to consultants and the advisory board. The options are exercisable at $0.10 per share, vest immediately and, if not exercised, expire March 13, 2024, subject to earlier expiration in accordance with the Plan and applicable policies of the TSX Venture Exchange.

The value of options issued on March 13, 2019, using the Black-Scholes option pricing model, was $79,200 which was allocated to the share-based compensation expense with a corresponding increase in contributed surplus. Assumptions used in the pricing model for the year are as follows: risk-free interest rate of 1.66%, expected life of 5 years, annualized volatility 80%, and dividend rate of nil.

(c) Warrants

During the periods ended March 31, 2019 and September 30, 2018, the Company had the following warrant activities:

	Number of Warrants	Exercise Price	Weighted Avg. Exercise Price
Balance, September 30, 2017	17,347,648		$0.10
Issued	1,950,000	$0.10	
Balance, September 30, 2018	19,297,648		$0.10
Issued	3,625,000	$0.05	
Balance, March 31, 2019	**22,922,648**		**$0.10**

(Expressed in Canadian dollars)

4. Share capital (continued)

At March 31, 2019, the following table summarizes information about warrants outstanding:

Total issued and outstanding	Warrants Outstanding	Expiry Date	Exercise Price
	1,935,000	April 18, 2020[b]	$0.08
	7,104,000	Jan 21, 2020[a]	$0.10
	900,000	Jan 21, 2020[a]	$0.10
	3,100,000	Jan 21, 2020[a]	$0.10
	3,625,000	May 23, 2020	$0.05
	3,266,648	July 20, 2020	$0.10
	1,042,000	Sept. 11, 2020	$0.10
	1,950,000	Feb. 21, 2021	$0.10
Balance, March 31, 2019	**22,922,648**		**$0.09**

[a] On June 5, 2018, the Company extended these warrants until January 21, 2020. The Company used the Black-Scholes option pricing model to fair value the warrant extension (recorded as share-based compensation expense), which was estimated to be $10,400. Assumptions used in the Black-Scholes option pricing model were as follows: dividend yield 0%, expected volatility of 140.39%, and a risk free rate of 1.93%.

[b] On March 18, 2019, the Company extended these warrants until April 18, 2020.

(d) Escrow shares

At March 31, 2019 and September 30, 2018, no common shares were held in escrow.

(e) Other income on settlement of flow-through premium liability

During the period ended March 31, 2019, the Company closed flow-through financings and recorded a total premium received on flow-through shares in the amount of $46,183 (September 30, 2018 -$36,000), which was recorded as a liability to be reversed to profit and loss as the eligible expenditures were incurred. As at March 31, 2019, the Company had reduced the liability by $54,820 (September 30, 2018 - $30,525) (based on expenditures incurred) to $8,763 (September 30, 2018 - $17,400) and accordingly, had recorded other income in the same amount.

5. Commitments and contingencies

As of March 31, 2019, the Company had $1,100 (September 30, 2018 - $17,600) in term deposits with a Canadian financial institution for the guarantee of business credit cards.

(Expressed in Canadian dollars)

6. Related party transactions

The Company had the following related party transactions during the period ended March 31, 2019:

(a) An officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $48,000 (2018 - $56,000). At March 31, 2019, $33,332 (September 30, 2018 - $18,879) is recorded in trade and other payables.

(b) A former officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $nil (2017 - $30,000). At March 31, 2019, $nil (September 30, 2018 - $nil) is recorded in trade and other payables.

(c) An officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $30,720 (2018 - $30,720). At March 31, 2019, $5,370 (September 30, 2018 - $5,370) is recorded in trade and other payables.

(d) A director of the Company provided exploration services to the Company. Geological consulting fees and wages incurred or accrued during the period were $31,500 (2018 - $57,000). At March 31, 2019, $3,102 (September 30, 2018 - $1,883) is recorded in trade and other payables.

Key Management Compensation:

Six months ended March 31,	2019	2018
Consulting fees	$ 78,720	$ 118,720
Administration expense	16,176	1,000
Exploration expense	15,324	56,000
Share-based compensation to directors and officers	79,200	-
	$ 189,420	$ 175,720

7. Segmented information

The Company operates in one operating segment, being the exploration of mineral properties. The Company's exploration and evaluation assets by geographic location are as follows:

	March 31, 2019	September 30, 2018
Saskatchewan, Canada	$ -	$ 1
Quebec, Canada	802,082	703,990
	$ 802,082	$ 703,991

8. Capital management

The Company includes cash and cash equivalents and equity, comprising of issued common shares, contributed surplus and deficit, in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but relies on the expertise of the Company's management to sustain future development of the business.

8. Capital management (continued)

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended March 31, 2019. The Company was not subject to any externally imposed capital requirements, other than maintained term deposits for the guarantee of business cards (note 5).

9. Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks by virtue of its activities. The overall financial risk management program focuses on preservation of capital, and protecting current and future Company assets and cash flows by reducing exposure to risks posed by the uncertainties and volatilities of financial markets.

The types of risk exposure and the way in which such exposures are managed are as follows:

Credit Risk - The Company's credit risk is primarily attributable to its liquid financial assets. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalents with high-credit quality financial institutions. The Company does not have financial assets that are invested in asset backed commercial paper.

Liquidity Risk – The Company ensures that there is sufficient capital in order to meet short term business requirements. The Company had a cash infusion from directors and officers subsequent to year end to provide working capital. The Company believes that these sources will be sufficient to cover the likely short term cash requirements.

Interest rate risk – In respect to the Company's financial assets, the interest rate risk mainly arises from the interest rate impact on our cash and cash equivalents. For the period ended March 31, 2019, every 1% fluctuation in interest rates up or down would have had little impact on net loss.

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

Fair Value - The Company has various financial instruments comprised of cash and cash equivalents, trade and other receivables and trade and other payables.

For disclosure purposes, all financial instruments measured at fair value are categorized into one of three hierarchy levels, described below. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

(Expressed in Canadian dollars)

9. Financial risk management (continued)

Level 1 – Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

September 30, 2018	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 57,889	$ -	$ -	$ 57,889

March 31, 2019	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 85,479	$ -	$ -	$ 85,479

10. Income taxes

As at September 30,	2018	Expiry Date Range	2017	Expiry Date Range
Exploration and evaluation assets	$ 344,000	No expiry date	$ 32,000	No expiry date
Share issue costs	$ 68,000	2039 to 2042	$ 79,000	2038 to 2041
Non-capital losses available for future period	$ 2,343,000	2031 to 2038	$ 1,898,000	2031 to 2037

Tax attributes are subject to review, and potential adjustment, by tax authorities.

11. Supplemental cash flow information

Additional cash flow information	Mar. 31, 2019	Sept. 30, 2018
Interest received in cash	$ -	$ -
Interest paid in cash	$ -	$ -
Income taxes paid in cash	$ -	$ -

Non-cash investing and financing activities

During the period ended March 31, 2018, the Company issued;

- 25,000 common shares with a value of $1,250 pursuant to a mineral claims acquisition agreement.

During the period ended March 31, 2019, the Company issued;

- 1,500,000 common shares with a value of $67,500 pursuant to a mineral claims option agreement.