GETCHELL

GETCHELL GOLD CORP.
(formerly Wabi Exploration Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIFTEEN MONTHS ENDED MARCH 31, 2019

AND

THE TWELVE MONTHS ENDED DECEMBER 31, 2017

(Expressed in Canadian Dollars)

Smythe CPA

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF GETCHELL GOLD CORP. (formerly Wabi Exploration Inc.)

Opinion
We have audited the consolidated financial statements of Getchell Gold Corp. (the "Company"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the 15-month period ended March 31, 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2019, and its consolidated financial performance and its consolidated cash flows for the 15-month period then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statemen*ts section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern
We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $3,665,623 during the 15-month period ended March 31, 2019 and, as of that date, the Company's current liabilities exceeded its current assets by $54,988. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter
The consolidated financial statements of the Company as at and for the 12-month period ended December 31, 2017 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on May 2, 2018.

Other Information
Management is responsible for the other information. The other information comprises of Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed, we conclude that there is a material misstatement of this, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Vancouver
1700 – 475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

Langley
305 – 9440 202 St
Langley, BC V1M 4A6
T: 604 282 3600
F: 604 357 1376

Nanaimo
201 – 1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors’ report is Hervé Leong-Chung.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
July 25, 2019

Vancouver
1700 – 475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

Langley
305 – 9440 202 St
Langley, BC V1M 4A6
T: 604 282 3600
F: 604 357 1376

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GETCHELL GOLD CORP.
(formerly Wabi Exploration Inc.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at		March 31, 2019		December 31, 2017
ASSETS				
CURRENT ASSETS				
Cash (Note 4)	**$**	**513,375**	$	847,744
Accounts receivable		**21,624**		30,922
Prepaid expenses		**31,975**		-
TOTAL CURRENT ASSETS		**566,974**		878,666
Reclamation deposit		**51,571**		14,630
Furniture and equipment (Note 6)		**449**		638
TOTAL ASSETS	**$**	**618,994**	$	893,934
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities (Note 7)	**$**	**369,527**	$	375,969
Warrant liability (Note 8)		**40,844**		138,000
Obligation to issue shares (Note 8)		**211,591**		-
TOTAL LIABILITIES		**621,962**		513,969
SHAREHOLDERS' EQUITY (DEFICIENCY)				
SHARE CAPITAL (Note 8)	**$**	**9,095,269**	$	6,062,122
SHARES TO BE ISSUED (Note 15)		**31,418**		-
STOCK OPTIONS RESERVE (Note 8)		**311,801**		279,509
WARRANTS RESERVE (Note 8)		**47,049**		-
DEFICIT		**(9,488,505)**		(5,961,666)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)		**(2,968)**		379,965
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)	**$**	**618,994**	$	893,934

APPROVED ON BEHALF OF THE BOARD:

Signed, "William S. Wagener" Director

Signed, "Stephen Goodman" Director

See accompanying notes to the consolidated financial statements.

GETCHELL GOLD CORP.
(formerly Wabi Exploration Inc.)
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Fifteen-month period ended March 31, 2019	Twelve-month period ended December 31, 2017
EXPENSES		
Exploration and evaluation expenditures (Note 9)	$ 1,180,043	$ 682,940
Administrative and general	9,725	4,353
Advertising and promotion	128,432	21,099
Communication	2,710	1,573
Filing fees	40,724	-
Management and consulting (Note 7)	272,280	162,358
Occupancy	25,392	31,862
Office and general	196,386	-
Professional fees	253,854	243,302
Share-based compensation (Note 8)	36,939	58,713
Travel	44,272	6,202
Depreciation (Note 6)	189	213
Foreign exchange (gain) loss	(47,926)	35,632
Listing expense (Note 5)	1,821,845	-
	$ (3,964,865)	$ (1,248,247)
LOSS BEFORE OTHER INCOME (EXPENSES)		
Other expenses (Note 8)	$ (211,591)	$ (25,000)
Recovery on reversal of accounts payable (Note 7)	73,000	-
Unrealized gain on warrant liability (Note 8)	437,833	-
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$ (3,665,623)	$ (1,273,247)
Loss per share - basic and diluted	$ (0.15)	$ (0.08)
Weighted average number of shares outstanding - basic and diluted	24,436,691	15,646,687

See accompanying notes to the consolidated financial statements.

GETCHELL GOLD CORP.
(formerly Wabi Exploration Inc.)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Fifteen-month period ended March 31, 2019 $	Twelve-month period ended December 31, 2017 $
Operating activities:		
Loss for the period	(3,665,623)	(1,273,247)
Items not affecting cash		
Depreciation	189	213
Share-based compensation	36,939	58,713
Shares issued for property	-	159,716
Unrealized gain on warrant liability	(437,833)	-
Other expenses	211,591	-
Recovery on reversal of accounts payable	(73,000)	-
Listing expense	1,757,216	-
Unrealized loss on foreign exchange	32,424	-
Net change in non-cash working capital balances:		
Accounts receivable	14,398	79,527
Prepaid expenses	(31,165)	-
Accounts payable and accrued liabilities	(34,108)	259,523
Cash used in operating activities	(2,188,972)	(715,555)
Investing activities:		
Cash received on acquisition of BVG	17,263	-
Reclamation deposit paid	(36,941)	-
Cash used in investing activities	(19,678)	-
Financing activities:		
Issuance of common shares, net of issue costs	1,875,287	1,422,700
Shares to be issued	31,418	-
Warrants exercised	-	20,826
Cash provided by financing activities	1,906,705	1,443,526
Foreign exchange effect on cash	(32,424)	-
Change in cash	(334,369)	727,971
Cash, beginning of period	847,744	119,773
Cash, end of period	513,375	847,744

GETCHELL GOLD CORP.
(formerly Wabi Exploration Inc.)
Consolidated Statements of Changes in Equity (Deficiency)
(Expressed in Canadian Dollars)

	Share Capital #	Share Capital $	Shares to be Issued $	Stock Options Reserve $	Warrants Reserve $	Deficit $	Total $
Balance, December 31, 2016	**13,382,726**	**4,334,472**	**188,000**	**334,106**	**16,000**	**(4,925,062)**	**(52,484)**
Shares issued for cash	4,411,875	1,286,136	-	-	-	-	1,286,136
Share issue costs	-	(253,505)	-	109,428	-	-	(144,077)
Shares issued for services	685,794	217,209	(188,000)	-	-	-	29,209
Shares issued for mineral properties	626,091	159,716	-	-	-	-	159,716
Shares issued for debt settlement	1,062,500	280,173	-	-	-	-	280,173
Shares issued for claims settlement	75,000	15,000	-	-	-	-	15,000
Share-based compensation	-	-	-	58,713	-	-	58,713
Shares issued for warrants exercised	65,080	20,826	-	-	-	-	20,826
Value of warrants exercised	-	2,095	-	-	(2,095)	-	-
Cancellation of stock options	-	-	-	(222,738)	-	222,738	-
Expiry of warrants	-	-	-	-	(13,905)	13,905	-
Loss for the period	-	-	-	-	-	(1,273,247)	(1,273,247)
Balance, December 31, 2017	**20,309,066**	**6,062,122**	**-**	**279,509**	**-**	**(5,961,666)**	**379,965**
Shares issued for cash	4,720,864	1,660,759	31,418	-	-	-	1,692,177
Share issue costs	-	(274,942)	-	148,793	-	-	(126,149)
Shares issued from RTO	3,660,734	1,647,330	-	22,283	10,110	-	1,679,723
Cancellation of stock options	-	-	-	(138,784)	-	138,784	-
Replacement warrants	-	-	-	-	36,939	-	36,939
Loss for the period	-	-	-	-	-	(3,665,623)	(3,665,623)
Balance March 31, 2019	**28,690,664**	**9,095,269**	**31,418**	**311,801**	**47,049**	**(9,488,505)**	**(2,968)**

See accompanying notes to the consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Getchell Gold Corp. (formerly Wabi Exploration Inc.) (the "Company") is a Canadian junior resource exploration company, carries on business in one segment, being the identification, acquisition and exploration of properties for mining of precious and base metals. The Company is incorporated and domiciled in Ontario, Canada.

The Company's principal asset is a mineral exploration property in Nevada, USA. The registered address of the Company and its principal place of business is 310-133 Richmond Street West, Toronto, ON M5H 2L3. The Company's shares are listed on the Canadian Securities Exchange ("CSE").

Getchell Gold Corp. ("Getchell") and Buena Vista Gold Inc. ("BVG") entered into an arrangement agreement on November 11, 2017, pursuant to which Getchell acquired all of the issued and outstanding common shares of BVG on a one to one basis (the "Transaction"). The Transaction was carried out by way of a plan of arrangement (the "Agreement"), pursuant to which BVG became a wholly owned subsidiary of Getchell (Note 5). As a result of the Transaction, Getchell Gold Corp., as the "Resulting Issuer," continued on with the business of BVG under the name "Getchell Gold Corp." The Transaction was deemed to be a reverse takeover ("RTO") as shareholders of BVG acquired control of the combined entity.

On November 6, 2018, the Company completed the Transaction and the common shares of the Resulting Issuer were listed on the CSE and began trading on December 3, 2018, under the symbol "GTCH". Trading was halted on December 18, 2018 when the Company became aware that the former Wabi Exploration Inc. ("Wabi") shares were trading on a pre-consolidation basis between December 3, 2018 and December 18, 2018 (the "Trading Period"), not on a 1 for 6 basis as required by the Agreement. The former Wabi shares were consolidated prior to the resumption of trading on January 21, 2019.

The Company has participated in numerous formal discussions with various investment industry participants and regulators in an effort to find a resolution. After careful consideration, management has determined that the best option at this time is for the Company to issue shares for distribution to buyers of shares during the Trading Period. As the first step in this process, the Board of Directors has approved the issuance of 1,399,402 common shares. However, subsequent to the year ended March 31, 2019, it was determined only 1,057,956 common shares were required to be issued (Note 8). While there is a dilutive effect to all shareholders, the Board of Directors believes that this solution is in the best interest of all shareholders and will allow the Company to advance its exploration assets in an attempt to create value for shareholders.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves and the achievement of the Company's ability to dispose of its interests on an advantageous basis. Although the Company has taken steps to verify title to the property on which it is conducting exploration and in which it has an interest in accordance with industry standards to the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory requirements.

1. NATURE OF OPERATIONS AND GOING CONCERN – continued

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to a going concern, under which material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern must be disclosed. As at March 31, 2019, the Company had not yet achieved profitable operations and continues to be dependent upon its ability to obtain sufficient working capital from external financing to meet the Company's liabilities as they become payable, and ultimately to generate profitable future operations. The Company incurred a net loss of $3,665,623 during the fifteen-month period ended March 31, 2019 (twelve-month period ended December 31, 2017 - $1,273,247). As at March 31, 2019, the Company had a working capital deficit of $54,988 (December 31, 2017 – working capital of $364,697) as well as cumulative losses totaling $9,488,505 (December 31, 2017 - $5,961,666). These consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of operations, and at amounts different from those in the consolidated financial statements. Such amounts could be material.

2. BASIS OF PREPARATION

(i) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS, as issued by the IASB. The policies set out below were consistently applied to all the periods presented unless otherwise noted.

These consolidated financial statements of the Company were approved and authorized for issue by the Board of Directors on July 25, 2019.

(ii) Change of year end

Effective in 2019, the Company changed its financial year end from December 31 to March 31. Accordingly, these consolidated financial statements present the statements of financial position as at March 31, 2019 and December 31, 2017 and the results of operations for the fifteen-month period ended March 31, 2019 and twelve-month period ended December 31, 2017.

(iii) Basis of presentation

These consolidated financial statements were prepared under the historical cost basis, except for certain assets which are measured at fair value as explained in the accounting policies set out in Note 3 below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The consolidated financial statements are presented in Canadian dollars unless otherwise indicated.

(iv) Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries Buena Vista Gold Inc. and Getchell Gold Nevada Inc. (formerly Buena Vista Minerals Inc.) (incorporated in Nevada, USA). Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

2. BASIS OF PREPARATION – continued

(v) Significant accounting judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- Going concern

As is common with exploration companies, the Company's ability to continue its on-going and planned exploration activities and continue operations as a going concern, is dependent upon the recoverability of costs incurred to date on mineral properties, the existence of economically recoverable reserves, and the ability to obtain necessary equity financing from time to time. The factors considered by management are disclosed in Note 1.

- Title to mineral property interests

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.

- Functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of the functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

- Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

2. BASIS OF PREPARATION – continued

(v) Significant accounting judgements, estimates and assumptions – continued

- Determination of control in the Transaction and RTO

The determination of the acquirer in the Transaction is subject to judgment and requires the Company to determine which party obtains control of the combining entities. Management applies judgment in determining control by assessing the following three factors: whether the Company has power over BVG; whether the Company has exposure or rights to variable returns from its involvement with BGV; and whether the Company has the ability to use its powers over BVG to affect the amount of its returns. In exercising this judgment, BVG was deemed to be the acquirer in the Transaction.

Management has had to apply judgment relating to acquisitions with respect to whether the acquisition was a business combination or an asset acquisition. Management applied a three-element process to determine whether a business or an asset was purchased, considering inputs, processes and outputs of the acquisition in order to reach a conclusion. The Transaction was accounted for as a reverse acquisition and the difference between the fair value of net assets acquired and the consideration paid was recorded as a listing expense (Note 5).

- Contingencies

Contingencies are subject to measurement uncertainty as the financial impact will only be confirmed by the outcome of a future event. The assessment of contingencies involves a significant amount of judgement, including assessing whether a present obligation exists, assessing factors that may mitigate or reduce the obligation, and determining a reliable estimate of the amount of cash outflow required to settle the obligation. The Company is required to both determine whether loss is probable and whether the loss can be reasonably estimated. The uncertainty involved with the time and amount at which a contingency may be settled may have a material impact on the consolidated financial statements of future periods to the extent that the amount provided for differs from the actual outcome.

- Share-based compensation and warrant liability

Management determines costs for share-based compensation using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates. Warrant liabilities are accounted for as derivative liabilities as they are exercisable in US dollars.

- Fair value of consideration

The fair value of consideration to acquire the Company in a reverse take-over transaction comprised common shares and replacement warrants and options. Common shares were valued on the date of issuance. Replacement warrants and options were valued using the Black-Scholes model. The Company applied IFRS 2 *Share-based Payments* in accounting for the Transaction.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been applied in the preparation of these consolidated financial statements are summarized below. These accounting policies have been used throughout all periods presented in the financial statements.

(i) Foreign currency transactions and translation

The Company's presentation and functional currency is the Canadian dollar. The functional currency of Buena Vista Gold Inc. and Getchell Gold Nevada Inc. is also the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the date of the consolidated statement of financial position while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the consolidated statements of loss and comprehensive loss.

(ii) Exploration and evaluation property

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral exploration properties, property option payments and evaluation activity. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction' into property, plant and equipment. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

(iii) Furniture and equipment

On initial recognition, furniture and equipment are valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Furniture and equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognized in profit or loss over the estimated useful lives using the following basis:

Computers - 55% diminishing balance
Furniture and fixtures - 25% diminishing balance

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(iv) Impairment of non-financial assets

The carrying values of long-lived assets are assessed for impairment when indicators of such impairment exist. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less costs to sell for the asset and the asset's value in use.

Impairment is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or classes of assets. If this is the case, the individual assets of the Company are grouped together into cash generating units ("CGUs") for impairment purposes. Such CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or other classes of assets. This generally results in the Company evaluating its non-financial assets on a geographical basis.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged to the statement of operations so as to reduce the carrying amount to its recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation/amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of loss and comprehensive loss.

(v) Financial instruments

Recognition and classification
The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument.

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(v) Financial instruments – continued

Measurement

Financial assets at FVTOCI
Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost
A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost.

- The Company's business model for the such financial assets, is to hold the assets in order to collect contractual cash flows.
- The contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(v) Financial instruments – continued

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets, is recognized in profit or loss.

(vi) Provisions

A provision is recognized in the consolidated statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to passage of time is recognized as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. At each consolidated statement of financial position reporting date, provisions are reviewed and adjusted to reflect the current best estimate of the expenditure required to settle the present obligation.

(vii) Rehabilitation provision

A legal or constructive obligation to incur rehabilitation provisions may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for 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 reflect 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 a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, 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 against profits as extraction progresses.

The Company had no material rehabilitation obligations as at March 31, 2019 and December 31, 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(viii) Share capital and warrants

The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Warrants are classified as equity if they will be settled only through the issuance of a fixed number of the Company's own equity instruments. Upon exercise, the shares are issued from treasury and the amount reflected in warrants is credited to share capital for the proceeds allocated when the warrant was first issued. Upon expiry, the grant date value of the warrants is reclassified to deficit.

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 common shares issued in the private placements at their fair value as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the warrants. Any value attributed to the warrants is recorded as warrants reserve in shareholders' equity. Share issue costs are netted against share proceeds.

Warrants exercisable in the Company's functional currency are reflected as equity instruments in the consolidated statements of financial position. Warrants exercisable in a currency other than the Company's functional currency are recorded to warrant liability on the consolidated statement of financial position and valued initially and at each period end using the Black-Scholes option pricing model. Any gains or losses are recognized in the statements of loss.

(ix) Share-based compensation

Equity-settled share-based compensation to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value determined at the grant date of the equity-settled share-based compensation is expensed over the vesting period. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate for those options that do not vest immediately.

Equity-settled share-based compensation transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods, or when the counterparty renders the service.

Upon expiry or cancellation, the value of share-based compensation such as stock options and warrants will be reallocated from stock option reserve to deficit.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(x) Loss per share

Basic loss per share is calculated by dividing net loss applicable to common shares of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments are converted during the year.

(xi) Taxation

Current tax

Income tax expense represents the tax currently payable on the taxable income using tax rates that have been enacted or substantively enacted by the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax

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

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are presented as non-current.

(xii) Accounting changes and recent pronouncements

New and amended standards adopted by the Company

On January 1, 2018, the Company adopted IFRS 9, *Financial Instruments* (“IFRS 9”), which replaces IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 includes requirements for classification and measurement of financial assets and financial liabilities; impairment methodology for financial instruments; and general hedge accounting. IFRS 9 has specific requirements for whether debt instruments are accounted for at amortized cost, fair value through other comprehensive income or fair value through profit or loss. IFRS 9 requires equity instruments to be measured at fair value through profit or loss unless an irrevocable election is made to measure them at fair value through other comprehensive income, which results in changes in fair value not being recycled to the income statement.

As a result of the adoption of IFRS 9, the Company has changed its accounting policy for financial instruments using the modified retrospective approach. The Company has not restated comparative information for prior periods with respect to the classification and measurement requirements of IFRS 9 and accordingly, the comparative information for the twelve-month period ended December 31, 2017 is presented under IAS 39 *Financial Instruments: recognition and measurement*. There were no changes to the carrying value of any of the Company’s assets or liabilities as a result of this new accounting standard.

(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(xii) Accounting changes and recent pronouncements – continued

New and amended standards adopted by the Company – continued

The Company completed a detailed assessment of its financial assets and liabilities as at January 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

	Original classification IAS 39	New classification IFRS 9
Cash	Amortized cost	FVTPL
Accounts receivable	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Warrant liability	FVTPL	FVTPL

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on January 1, 2018.

New standards and interpretations not yet adopted

IFRS 16 *Leases* ("IFRS 16") was issued in January 2016 and replaces IAS 17 – *Leases* as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and cumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is applicable for the Company's annual period beginning on April 1, 2019. The Company does not anticipate a significant impact on the financial results from adopting this standard.

4. CASH

Cash at banks and on hand earn interest at floating interest rates based on daily deposit rates.

As at March 31, 2019 and December 31, 2017, the Company did not hold any cash equivalents.

5. REVERSE ACQUISITON

As described in Note 1, on November 6, 2018, the Company and BVG completed a Transaction which constituted a Reverse acquisition. The Company issued 25,029,930 shares to the shareholders of BVG on a one to one basis.

As a result of the Transaction, the shareholders of BVG obtained control of the combined entity by obtaining control of the voting power of the combined entity and the resulting power to govern the financial and operating policies of the combined entities.

For accounting purposes, BVG, the legal subsidiary, was treated as the accounting parent company and Getchell Gold Corp., the legal parent, has been treated as the accounting subsidiary in these

(Expressed in Canadian Dollars)

5. REVERSE ACQUISITON - continued

consolidated financial statements. As BVG was deemed to be the acquirer for accounting purposes, its assets, liabilities and operations since incorporation are included in these consolidated financial statements at their historical carrying value. Getchell Gold Corp. results of operations have been included since November 6, 2018.

The following summarizes the reverse takeover of Getchell by BVG and the assets acquired and liabilities assumed on November 6, 2018, the Transaction date:

	$
Consideration paid:	
Fair value of 3,660,734 common shares of the Company at $0.45 per share	1,647,330
Fair value of 66,667 replacement stock options issued	22,283
Fair value of 47,667 replacement warrants issued	10,110
Transaction extension fee	40,000
	1,719,723
Transaction costs incurred:	
Legal fees	24,629
Net tangible liabilities (estimated fair value) assumed:	
Cash	17,263
Amounts receivable	5,100
Prepaid expenses	810
Accounts payable and accrued liabilities	(100,666)
	(77,493)

At the time of the Transaction, Getchell's assets consisted primarily of cash and accounts receivable, and it did not have any processes capable of generating outputs; therefore, Getchell did not meet the definition of a business. Accordingly, as Getchell did not qualify as a business in accordance with IFRS 3 *Business Combinations*, the Transaction did not constitute a business combination. The Transaction constituted a reverse acquisition of Getchell by BVG and has been accounted for as a reverse acquisition transaction in accordance with the guidance provided in IFRS 2 *Share-based payments* and IFRS 3 *Business combinations*.

As the acquisition was not considered a business combination, the excess value of consideration paid over the net liabilities assumed together with the estimated fair value of options and warrants issued to Getchell shareholders, and additional transaction costs are expensed as a listing expense.

The fair value of the common shares amounted to $1,647,330, based on the shares issued in a concurrent financing of BVG's units at the time of the transaction of $0.45 per unit. The fair values of the stock options and warrants were determined using the Black-Scholes option pricing model with the following weighted average assumptions: dividend yield of 0%, expected volatility of 110% based on historical volatility of comparable entities, risk free interest rate of 2.32%, and an expected life of 2.74 years at a share price of $0.45.

	$
Consideration paid	1,719,723
Net tangible liabilities assumed	77,493
Transaction costs incurred	24,629
	1,821,845

(Expressed in Canadian Dollars)

6. FURNITURE AND EQUIPMENT

	Computers	Furniture	Total
Cost			
Cost at December 31, 2016 and 2017 and March 31, 2019	$ 2,963	$ 3,000	$ 5,963
Accumulated Depreciation			
Balance at December 31, 2016	$ (2,963)	$ (2,149)	$ (5,112)
Depreciation	-	(213)	(213)
Balance at December 31, 2017	$ (2,963)	$ (2,362)	$ (5,325)
Depreciation	-	(189)	(189)
Balance at March 31, 2019	$ (2,963)	$ (2,551)	$ (5,514)
Net book value December 31, 2017	$ -	$ 638	$ 638
Net book value March 31, 2019	$ -	$ 449	$ 449

7. RELATED PARTY TRANSACTONS

In accordance with IAS 24, *Related party disclosures*, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company had the following transactions with related parties or companies controlled by related parties:

	Fifteen months ended March 31, 2019	Twelve months ended December 31, 2017
Management and consulting fees	$ 193,236	$ 138,957
Administration fees	8,000	-
Share-based compensation	-	58,713
	$ 201,236	$ 197,670

Accounts payable and accrued liabilities as at March 31, 2019 include $114,863 (December 31, 2017 - $110,236) due to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment. During the fifteen months ended March 31, 2019, the Company recorded a recovery on reversal of accounts payable of $73,000 (December 31, 2017 – $nil) due to a former related party.

8. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS

a) Shares Authorized

The Company is authorized to issue an unlimited number of common shares with no par value.

On November 6, 2018, the Company completed a share consolidation on the basis of one (1) post-consolidation common share for every six (6) pre-consolidation common share. All common shares, options, warrants and basic and diluted loss per share amounts have been restated to give retrospective effect to the share consolidation.

b) Transactions

(i) Twelve months ended December 31, 2017

The Company issued 2,277,500 common shares for gross proceeds of $588,910.

The Company closed a private placement of 2,134,375 units at US$0.32 per unit for gross proceeds of US$683,000 ($872,225). Each unit consisted of one common share and one common share purchase warrant. Each warrant entitled the holder to purchase one additional common share for a period of 12 months at US$0.40. The grant date fair value attributed to the warrants was estimated to be $175,000 using the Black-Scholes option pricing model, with warrant issuance costs of $37,000. Significant assumptions used were as follows: dividend yield of 0%, expected volatility of 100% based on the historical volatility of comparable entities, risk free interest of 1.66%, and an expected life of 1 year at a share price of US$0.26. As a result of the exercise price of the warrants being denominated in a currency other than the functional currency, the warrants are considered to be a derivative financial liability.

On August 15, 2017, the Company purchased 89 claims in Nevada, USA from Dutch Flats Gold Inc. (“Dutch”), a company related through a common director and ownership, in exchange for 626,091 common shares fair valued at $159,716 and settlement of amounts due by Dutch to the Company totalling $90,071.

The Company issued 65,080 common shares on the exercise of warrants for gross proceeds of $20,826.

The Company issued 685,794 common shares for services fair valued at $217,209 of which $188,000 was recorded as shares to be issued as at December 31, 2016.

The Company was obligated to issue 250,000 common shares as a finder’s fee in connection with these private placements. These shares were issued as part of common shares for services during the twelve months ended December 31, 2017 pursuant to the minutes of settlement referenced in Note 13.

In addition, the Company was obligated to issue 233,044 shares for cash consideration received of $51,500 during the twelve months ended December 31, 2014. These shares were issued as part of common shares for services during the twelve months ended December 31, 2017 pursuant to the minutes of settlement referenced in Note 13.

The Company issued 75,000 common shares valued at $15,000 pursuant to the minutes of settlement referenced to Note 13 for the payment of the costs of application.

The Company issued 1,062,500 common shares to settle amounts owing of $280,173. Of the 1,062,500 common shares, 425,000 common shares were issued to a former director of the Company to settle amounts owing of $110,500.

8. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

b) Transactions – continued

(ii) Fifteen months ended March 31, 2019

The Company issued 2,466,875 units at US$0.32 per unit for gross proceeds of US$789,400 ($987,141). Each unit consisted of one common share and one common share purchase warrant. Each warrant entitled the holder to purchase one additional common share for a period of 12 months at US$0.40. The grant date fair value attributed to the 2,466,875 warrants issued was estimated to be $340,677 using the Black-Scholes option pricing model, with warrant issuance costs of $11,000.

Significant weighted average assumptions used were as follows: expected dividend yield of 0%, expected volatility of 106% based on the historical volatility of comparable entities, risk free interest rate of 1.78%, expected life of 1 year, and a share price of US$0.40 ($0.50).

The Company issued 2,253,989 units at $0.45 per unit for gross proceeds of $1,014,295. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitled the holder to purchase one additional common share for a period of 24 months at $0.52. During the fifteen-month period ended March 31, 2019, the warrants were re-priced to $0.25 per share.

Prior to March 31, 2019, the Company received $31,418 of subscription proceeds in relation to a private placement closed in May 2019 (Note 15). This balance is recorded as shares to be issued as at March 31, 2019.

As at March 31, 2019, the Company had an obligation to issue 1,057,956 common shares to buyers of shares during the Trading Period (Note 1). The Company recorded $211,591 as other expenses in recognition of the obligation to issue shares. Subsequent to the fifteen months ended March 31, 2019, the Company settled this obligation, as discussed in Note 15.

c) Stock Options

The Company has a stock option plan (the "Plan") for its directors, officers, consultants and key employees under which the Company may grant options to acquire a maximum number of 10% of the total issued and outstanding common shares of the Company. These options are non-transferrable and are valid for a maximum of 5 years from the date of issue. Vesting terms and conditions are determined by the Board of Directors at the time of the grant. The exercise price of the options is fixed by the Board of Directors of the Company at the time of the grant at the market price of the common shares, subject to all regulatory requirements. Expected volatility has been determined using the share price of the Company for the period equivalent to the life of the options prior to grant date.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

c) Stock Options – continued

A summary of the Company's stock option activity during the periods presented is as follows:

	Number Outstanding and Exercisable	Weighted Average Exercise Price (CAD)	Weighted Average Exercise Price (USD)
Outstanding, December 31, 2016	2,250,000	$ 0.41	$ 0.32
Cancelled	(1,500,000)	0.41	0.32
Granted	478,000	0.33	0.26
Outstanding, December 31, 2017	1,228,000	$ 0.28	$ 0.22
Cancelled/Forfeited	(353,000)	0.31	0.24
Options deemed issued on RTO	66,667	0.42	n/a
Outstanding, March 31, 2019	941,667	$ 0.42	$ 0.32

On November 10, 2016, the Company granted 2,250,000 options to officers, directors, and consultants, exercisable at $0.20 for a five-year term. The options vested immediately. On July 10, 2017, the Company cancelled 1,500,000 of these stock options. On December 22, 2017, the Company modified the exercise price of the stock options granted to US$0.32.

On July 24, 2017, the Company granted 228,000 finder's options exercisable at US$0.20 for a five-year term. The options vested immediately. The following weighted average assumptions were used for the options: expected dividend yield of 0%, expected volatility of 100% based on the historical volatility of comparable entities, risk free rate of return of 1.56%, expected life of 5 years, and share price of US$0.20, resulting in a charge of $42,692 as share issue costs for the twelve months ended December 31, 2017. 112,750 of the compensation options were granted to a director of the Company. These finder's options were converted to warrants in accordance with a court order upon completion of the Transaction.

On December 22, 2017, the Company granted 250,000 options to directors of the Company exercisable at US$0.32 for a five-year term. The options vested immediately. The following weighted average assumptions were used for the options: expected dividend yield of 0%, expected volatility of 100% based on the historical volatility of comparable entities, risk free rate of return of 1.64%, expected life of 5 years, and share price of US$0.24, resulting in a charge of $58,713 as share-based payments for the twelve-month period ended December 31, 2017.

The weighted average remaining life of the options as at March 31, 2019 was 2.83 years (December 31, 2017 – 4.22 years).

A summary of the Company's outstanding and exercisable stock options as of March 31, 2019 is presented below:

Expiry date	Options Outstanding and Exercisable	Exercise Price (CAD)	Exercise Price (USD)
November 10, 2021	750,000	$ 0.41	$ 0.32
September 21, 2022	66,667	$ 0.42	n/a
December 22, 2022	125,000	$ 0.41	$ 0.32
	941,667		

(Expressed in Canadian Dollars)

8. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

d) Compound Options

A summary of the Company's compound option activity during the periods presented is as follows:

	Number Outstanding and Exercisable	Weighted Average Exercise Price (CAD)	Weighted Average Exercise Price (USD)
Outstanding, December 31, 2016	-	$ -	$ -
Granted	418,125	0.41	0.32
Outstanding, December 31, 2017	418,125	$ 0.41	$ 0.32
Expired	(418,125)	0.41	0.32
Granted	210,399	0.45	n/a
Outstanding, March 31, 2019	210,399	$ 0.45	n/a

On December 21, 2017, the Company granted 418,125 finder's options exercisable at US$0.32 for a one-year term. The options vested immediately. Each compensation option is a compensation unit exercisable at US$0.32 per option into one common share and one common share purchase warrant. Each warrant is exercisable into one common share at US$0.40. The following weighted average assumptions were used for the options: expected dividend yield of 0%, expected volatility of 100% based on the historical volatility of comparable entities, risk free rate of return of 1.66%, expected life of 1 year, and share price of US$0.32, resulting in a charge of $66,736 as share issue costs for the twelve months ended December 31, 2017. 154,688 of the compensation options were granted to a director of the Company.

On November 2, 2018, the Company granted 210,399 finder's options. Each option entitled the holder to purchase one unit of the Company for a period of 5 years at $0.45. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase one additional common share for a period of 5 years at $0.52. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 110% based on the historical volatility of comparable entities, risk free rate of return of 2.32%, expected life of 5 years, and share price of $0.45, resulting in a charge of $148,793 as share issue costs for the fifteen months ended March 31, 2019.

A summary of the Company's outstanding and exercisable compound options as of March 31, 2019 is presented below:

Expiry date	Options Outstanding and Exercisable	Exercise Price (CAD)	Exercise Price (USD)
November 2, 2023	210,399	$ 0.45	n/a

(Expressed in Canadian Dollars)

8. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

e) Warrants

A summary of the Company's warrant activity during the periods presented is as follows:

	Number Outstanding and Exercisable	Weighted Average Exercise Price (CAD)	Weighted Average Exercise Price (USD)
Outstanding, December 31, 2016	497,055	$ 0.32	$n/a
Issued(1)	2,134,375	0.40	0.32
Exercised	(65,080)	0.32	n/a
Expired	(431,975)	0.32	n/a
Outstanding, December 31, 2017	2,134,375	$ 0.40	$0.32
Warrants assumed on RTO	47,667	0.42	n/a
Issued(1)	2,466,875	0.51	0.40
Issued	2,253,989	0.25	n/a
Issued(1)	228,000	0.26	0.20
Outstanding, March 31, 2019	7,130,906	$ 0.39	$0.36

(1) As a result of the exercise price of the warrants being denominated in a currency other than the functional currency, the warrants are considered a derivative financial liability. The warrants are classified as a liability and revalued at each period end with any gain or loss in the fair value being record in the consolidated statements of loss as an unrealized gain or loss on warrant liability.

On July 24, 2017, the Company granted 228,000 finder's options exercisable at US$0.20 for a five-year term. During the fifteen months ended March 31, 2019, these finder's options were converted to warrants in accordance with a court order upon completion of the Transaction. The following weighted average assumptions were used for the replacement warrants: expected dividend yield of 0%, expected volatility of 110% based on the historical volatility of comparable entities, risk free rate of return of 2.03%, expected life of 3.64 years, and share price of $0.25, resulting in a charge of $36,939 as share-based payments for the fifteen months ended March 31, 2019.

On March 31, 2019, the fair value of all outstanding warrants, with an exercise price denominated in a currency other than the functional currency, was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: expected dividend yield of 0%; expected volatility of 103% based on the historical volatility of comparable entities; risk free interest rate of 1.44%; and a weighted average expected life of 0.8 years. As a result, the fair value of the warrants was estimated to be $88,844.

The weighted average remaining life of the warrants as at March 31, 2019 was 1.1 years (December 31, 2017 – 2 years).

(Expressed in Canadian Dollars)

8. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

e) Warrants – continued

A summary of the Company's outstanding warrants as of March 31, 2019 is presented below:

Expiry date	Warrants outstanding	Exercise price (CAD) ($)	Exercise price (USD) ($)
December 31, 2019	2,134,375	0.40	0.32
December 31, 2019	2,466,875	0.51	0.40
December 31, 2019	47,667	0.42	n/a
November 2, 2020	2,253,989	0.25	n/a
July 24, 2022	228,000	0.26	0.20
	7,130,906		

9. EXPLORATION AND EVALUATION EXPENDITURES

The Company holds a 100% interest in the Buena Vista Valley projects which consists of five claim groups located in Pershing County Nevada, USA. Portions of the four claim groups are subject to mining lease agreements as follows:

- The Gold Knob and French Boy claim groups are subject to two mining lease agreements between RS Gold, LLC and David Rowe and Carelon Rowe, collectively the "Owners", with Gold Knob and French Boy dated May 24, 2010, both amended on May 1, 2015, with French Boy being further amended on October 13, 2017 retroactively to March 31, 2016.
- A portion of the Star Point claim group is subject to a mining lease agreement between RS Gold, LLC, the "Owner" dated June 26, 2010 and amended on May 1, 2015.
- A portion of the BV South claim group is subject to a mining lease agreement between RS Gold, LLC, the "Owner" dated January 1, 2014 and amended on May 1, 2015.

The Star Point, Gold Knob and BV South properties include both mining leases and claims staked by the Company.

Gold Knob

The key provisions of the mining lease agreement for the Gold Knob claims are as follows:

Term: Original term of 10 years ending May 24, 2020, may be extended for an additional 10 years, or so long thereafter as there are mining/processing activities, or reclamation/closure activities.

Advance Minimum Royalties ("AMR"): Advance pre-production royalties deductible from future production royalties are payable as follows:

1st Anniversary of signing US$10,000 (paid)
2nd Anniversary US$20,000 (paid)
3rd Anniversary US$30,000 (paid)
4th Anniversary US$40,000 (paid)
5th and subsequent Anniversaries US$50,000 (amended to US$10,000)

The AMR payments were temporarily amended and reduced to US$10,000 for the years 2015 and 2016 (paid). In 2017 and 2018, the AMR payments returned to US$50,000 per year (paid).

(Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION EXPENDITURES – continued

Gold Knob – continued

Production Royalties: A sliding-scale gold Net Smelter Return (“NSR”) royalty and a 3% gross royalty on other metals is payable to the owners on production proceeds.

Price of Gold	NSR
<US$800/Troy oz.	3%
US$800.01 to US$1,500 oz.	4%
>US$1,500.01 oz.	5%

Royalty Buy-out Provision: The Company may purchase up to 2% of the NSR for US$1,250,000 per each 1%, with provision for purchase of an additional 1% NSR if the gold price is above US$1,500/oz. The owners’ NSR cannot be less than 1% after buy out.

Work Commitment: Expenditure of US$60,000 on drilling during the first year (completed).

French Boy

The key provisions of the mining lease agreement for the French Boy claims are as follows:

Term: Original term of 10 years ending May 24, 2020 may be extended for an additional 10 years, or so long thereafter as there are mining/processing activities, or reclamation/closure activities.

Advance Minimum Royalties: Advance pre-production royalties deductible from future production royalties are payable as follows:

1st Anniversary of signing US$10,000 (paid)
2nd Anniversary US$20,000 (paid)
3rd Anniversary US$30,000 (paid)
4th Anniversary US$40,000 (paid)
5th Anniversary US$50,000 (amended to US $10,000)

The AMR payments were temporarily amended and reduced to US$10,000 for the years 2015 and 2016. (paid). In 2017, the AMR payments were further amended retroactively to 2016 onwards and reduced to $nil.

Production Royalties: A sliding-scale gold NSR royalty and a 3% gross royalty on other metals is payable to the owners on production proceeds.

Price of Gold	NSR
<US$800/Troy oz.	3%
US$800.01 to US$1,500 oz.	4%
>US$1,500.01 oz.	5%

Royalty Buy-out Provision: The Company may purchase up to a 2% NSR for US$1,250,000 per each 1%, with provision for purchase of an additional 1% NSR if the gold price is above US$1,500/oz.

The Owners NSR cannot be less than 1% after the buy-out.

Work Commitment: Expenditure of US$25,000 on drilling during the first year (completed).

(Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION EXPENDITURES - continued

Star Point

The leased portion of the Star Point claim group is subject to a mining lease agreement, the key provisions of which are as follows:

Term: Original term 10 of years ending June 26, 2020 may be extended for an additional 10 years, or so long thereafter as there are mining/processing activities, or reclamation/closure activities.

Advance Minimum Royalties: Advance pre-production royalties deductible from future production royalties are payable as follows:

1st Anniversary of signing US$40,000 (paid)
all subsequent Anniversaries US$50,000 (paid to date)

The AMR payments were temporarily amended and reduced to US$5,000 in 2015 and US $10,000 in 2016 (paid). In 2017 and 2018, the AMR payments returned to US$50,000 per year (paid).

Production Royalties: A sliding-scale gold NSR royalty and 3% gross royalty on other metals is payable to the owners on production proceeds.

Price of Gold	NSR
<US$800/Troy oz.	3%
US$800.01 to US$1,500 oz.	4%
>US$1,500.01 oz.	5%

Royalty Buy-out Provision: The Company may purchase up to a 2% NSR for US$1,250,000 per point, with provision for purchase of an additional 1% NSR if the gold price is above US$1,500/oz. The Owner's NSR cannot be less than 1% after the buy-out.

During fiscal 2019, the Company staked and recorded an additional 60 claims adjacent to Star Point and subsequently staked an additional 63 claims to the south of Star Point. The staking of the additional 63 claims gives the Company a continuous claim package from the northern end of Star Point to the southern end of BV South.

BV South

The leased portion of the BV South claim group is subject to a mining lease agreement for which the key provisions of are as follows:

Term: Original term 20 of years ending January 1, 2034 may be extended for an additional 10 years, or so long thereafter as there are mining/processing activities, or reclamation/closure activities.

Advance Minimum Royalties: Advance pre-production royalties deductible from future production royalties are payable as follows:

On signing of the agreement US$25,000 (paid)
On or before September 30, 2014, US$25,000 (paid)
On the first anniversaries and annually thereafter US$50,000 (paid to date)

(Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION EXPENDITURES - continued

BV South – continued

The AMR payments were temporarily amended and reduced to US$10,000 in 2016 and 2017 (paid). In 2018, the AMR payments returned to US$50,000 per year (paid). The 2019 AMR payment of US $50,000 has not been paid. The Company is in discussions with the Mining Lease holders regarding payment alternatives (Note 15).

Production Royalties: A gold NSR royalty and 3% gross royalty on other metals is payable to the owners on production proceeds.

Work Commitment: Expenditure of US$60,000 on drilling during the first year (completed).

Hot Springs Peak

The Hot Springs Peak property consists of unpatented lode mining claims in the northern Hot Springs range in northern Nevada.

In August 2017, the Company purchased 88 claims in Nevada, USA from Dutch Flats Gold Inc., a company related through common director and ownership, in exchange for 626,091 common shares and settlement of $90,071 for amounts due by Dutch Flats Gold Inc. to BVG. An additional 16 claims were staked in fiscal 2017. In addition, there were 4 claims leased from a private owner.

During fiscal 2019, an additional 102 claims were staked and recorded. The 4 leased claims expired in the first quarter of fiscal 2019 and the lease has not yet been renegotiated.

Expenditures

Exploration and evaluation expenditures for the fifteen months ended March 31, 2019 were as follows:

	Gold Knob $	French Boy $	Star Point $	BV South $	Hot Springs Peak $	Total $
Acquisition and lease payments	-	-	-	-	2,344	2,344
Claims staking	34,650	32,711	100,713	-	92,662	260,736
Geologist	-	-	30,313	3,126	87,922	121,361
Geophysics	-	-	110,749	-	63,515	174,264
Laboratory fees	-	-	-	-	69,792	69,792
Drilling	-	-	24,479	-	323,529	348,008
Royalty payments	65,120	-	65,120	65,120	-	195,360
Other fees	-	-	2,449	-	5,303	7,752
	99,770	**32,711**	**333,823**	**68,246**	**645,067**	**1,179,617**
General						426
						1,180,043

(Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION EXPENDITURES - continued

Exploration and evaluation expenditures for the twelve months ended December 31, 2017 were as follows:

	Gold Knob $	French Boy $	Star Point $	BV South $	Hot Springs Peak $	Total $
Acquisition and lease payments	-	-	65,060	-	255,093	320,153
Claims staking	-	-	137,197	-	36,308	173,505
Geologist	8,255	-	122	-	36,010	44,387
Geophysics	-	-	-	-	28,760	28,760
Laboratory fees	5,036	-	-	-	-	5,036
Drilling	27,765	-	-	-	-	27,765
Royalty payments	64,930	-	-	12,985	-	77,915
Other fees	-	-	3,550	-	1,869	5,419
	105,986	**-**	**205,929**	**12,985**	**358,040**	**682,940**

10. CAPITAL MANAGEMENT

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

The properties to which the Company currently has an interest are in the exploration stage and as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration as well as satisfy administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties should sufficient geological or economic potential be demonstrated and if the Company has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the current size of the Company. There were no changes to its capital management approach during the fifteen months ended March 31, 2019. Neither the Company nor its subsidiaries is subject to externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company has no external debt and is dependent on the capital markets to finance exploration and development activities.

11. SEGMENTED INFORMATION

The Company has one operating segment: the acquisition, exploration and development of precious and base metal mineral resource properties located in Nevada, USA. All furniture and equipment are located in Canada.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

- Market Risk
- Liquidity Risk
- Credit Risk

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

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

Market Risk

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

Foreign Currency Risk

Given the global nature of the Company's business, the Company's operating businesses, financial reporting results and cash flows are exposed to risks associated with foreign currency fluctuations. For the current fiscal period, management estimates that if the United States Dollar had weakened or strengthened by 10% against the Canadian dollar, the resulting change in net loss would be negligible. Included in cash is US$74,338 ($99,337) (December 31, 2017 – US$669,972 ($840,479)), and accounts payable and accrued liabilities is US$73,912 ($98,774) (December 31, 2017 – US$32,605 ($40,921)) denominated in foreign currency.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. Sensitivity to a plus or minus 1% change in the interest rates could impact any renewals or extensions of term deposits which would have no significant impact on the net loss due to the immateriality of the interest earned.

Commodity Price Risk

The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of precious metals. The Company closely monitors commodity prices to determine the appropriate course of action to be taken. Based on management's knowledge and expertise of the financial markets, the Company believes that commodity price risk is not relevant as the Company is not a producing entity.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT - continued

Liquidity Risk

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

At March 31, 2019, the Company had a cash balance of $513,375 and current liabilities of $621,964 of which $40,844 is a non-cash warrant liability and $211,591 is a non-cash obligation to issue shares.

The following is a summary of the Company's material contractual obligations (representing undiscounted contractual cash flows):

	Due within				
	1 Year	2 Years	3 Years	Over 4 Years	Total
Accounts payable and accrued liabilities	$ 442,527	$ -	$ -	$ -	$ 442,527

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk in its cash, and accounts receivables. The maximum credit risk represented by the Company's financial assets is represented by their carrying amounts. Concentration of credit risk exists with respect to the Company's cash as substantially the entire amount is held at a single major Canadian financial institution. Accounts receivable is comprised of amounts due from Canada Revenue Agency for recoverable GST input tax credits.

Credit risk on cash is minimized by depositing with only reputable financial institutions.

Determination of Fair Value

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

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

The consolidated statements of financial position carrying amounts for cash, accounts receivables, and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments. The fair value of warrant liability is based on level 2 inputs of the fair value hierarchy.

13. COMMITMENTS AND CONTINGENCIES

Minutes of Settlement

Pursuant to the minutes of settlement in September 2017, concerning an action brought against the Company by one of its shareholders, BVG has agreed to convene a shareholders meeting to approve the reclassification of all issued and outstanding shares of BVG as one class of common shares, approve the proposed transaction with Getchell Gold Corp. and to elect three new directors to the Board. In addition, BVG will issue 300,000 common shares and pay to the shareholder $15,000 for costs, to be held in-trust until such time as the application is dismissed. BVG was also required to issue 250,000 shares for payment of finders' fees and issue 233,044 shares to correct errors related to foreign exchange related to the fiscal 2014 private placements. The minutes of settlement require the applicant to dismiss the action with prejudice on completion of the business merger with Getchell, or without prejudice if the business merger is not concluded. The Company issued the requisite common shares in fiscal 2017 and forwarded the necessary funds to the trust account during the quarter ending March 31, 2018. On October 29, 2018 the Court issued an Order dismissing the application with prejudice.

Environmental contingencies

The Company's exploration activities are subject to various international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive.

The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

(Expressed in Canadian Dollars)

14. INCOME TAXES

a) Provision for income taxes

The major items causing the Company's income tax expense to differ from the Canadian combined federal and provincial statutory rate of 27% at March 31, 2019 (2017 – 26.5%) were:

	March 31, 2019 $	December 31, 2017 $
Net (loss) for the period before income taxes	(3,665,623)	(1,273,248)
Expected income taxes (recoverable) at statutory rates	(990,000)	(337,000)
Changes resulting from:		
Expenses not deductible for tax purposes	386,000	99,000
Effect of change in tax rates	(26,000)	-
Under provided in prior period	1,035,000	-
Tax benefits not realized	(405,000)	238,000
Deferred income tax provision	-	-

b) Deferred income tax balances

The Company has deferred tax assets not recognized as follows:

	March 31, 2019 $	December 31, 2017 $
Deferred income tax assets		
Non-capital losses	2,319,000	163,000
Mineral properties	3,000	19,000
Share issuance costs	46,000	-
	2,368,000	182,000

The Company has approximately $3,932,000 of non-capital losses in Canada which, under certain circumstances can be used to reduce the taxable income of future years. The losses expire in the following periods:

Year	Amount $
2028	59,000
2029	52,000
2030	372,000
2031	65,000
2032	371,000
2033	175,000
2034	643,000
2035	166,000
2036	40,000
2037	579,000
2038	464,000
2039	946,000
	3,932,000

15. SUBSEQUENT EVENTS

May 2019 Private Placement Financing

On May 21, 2019, the Company has closed a first tranche of a private placement financing and has issued 5,236,065 Units at $0.15 per Unit (the "Units") for gross proceeds of $786,353. Each Unit consists of one common share (a "Share") and one-half share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to acquire an additional common share at a price of $0.25 per share until May 17, 2021. The Company also issued 268,333 Compensation Option Units (the "Finders Option") and paid an aggregate of $39,250 to qualified finders. Each Finders Option is a compensation unit exercisable at $0.15 per option into one common share and one-half share purchase warrant (each whole warrant, a "Finder's Warrant") for a five-year period. Each Finder's Warrant will be exercisable to acquire an additional common share at $0.25 per share for a two-year period from the date of exercise of the Finders Option. As of March 31, 2019, $37,500 has been received and share issue costs of $6,082 have been incurred related to this subsequent private placement financing.

On July 12, 2019, the Company has closed the final tranche of a private placement financing and has issued 2,453,333 Units at $0.15 per Unit (the "Units") for gross proceeds of $368,000. Each Unit consists of one common share (a "Share") and one-half share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to acquire an additional common share at a price of $0.25 per share until July 12, 2021. The Company also paid an aggregate of $34,833 to qualified finders and issued 134,222 Compensation Option Units (the "Finders Option"), which have the same terms as the Finders Options issued in the first tranche of the private placement.

Treasury Issuance

On June 4, 2019, the Company fulfilled its obligation to issue 1,057,956 common shares from treasury to buyers of shares during the Trading Period. The shares were in satisfaction of claims that may have resulted from the purchase of pre-consolidation shares during the Trading Period, as discussed in Note 1. With respect to the trading of pre-consolidation shares during the Trading Period, a brokerage account reconciliation resulted in the return of 97,500 common shares for cancellation.

Exploration Properties

The Company attempted to renegotiate the terms of the BV South, French Boy and Gold Knob mining leases but did not receive satisfactory renewal terms from the Lessors. Consequently, the mining leases were not renewed. The Star Point mining lease was renewed in June 2019.

Mutual Release Agreements

On July 25, 2019, the Company entered into the following agreements:

- A Mutual Release Agreement with a company (the "Entity") controlled by a former director ("Former Director") of the Company. Pursuant to this agreement, the Company paid $60,000 plus $7,800 in HST; and
- A Mutual Release Agreement with the Former Director in which the Entity is obligated to pay an approximate amount of $8,000 to third parties.