TISDALE RESOURCES CORP.
(Formerly Senator Minerals Inc.)

Consolidated Financial Statements

For the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and the Board of Directors of
Tisdale Resources Corp.

Opinion on the Financial Statements

We have audited the consolidated accompanying financial statements of Tisdale Resources Corp. (the "Company"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of loss and comprehensive loss, changes in deficiency and cash flows for the year ended December 31, 2018, and the related notes, including a summary of significant accounting policies and other explanatory information (collectively referred to as the "consolidated financial statements").

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our reports. 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 describes matters and conditions that indicate the existence of a material uncertainty which may cast significant doubt about 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 December 31, 2017 and for the year then ended, which are presented for comparative purposes, were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements in their report dated April 27, 2018.

Other Information

Management is responsible for the other information, which comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the consolidated financial statements does not cover the other information and do not and will 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 and remain alert for indicators that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

INDEPENDENT AUDITORS' REPORT

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.

Auditor's Responsibilities for the Financial Statements
Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, not 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 the 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 auditor's report to the related disclosures in the 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 auditor's 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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INDEPENDENT AUDITORS' REPORT

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 auditor's report is Fernando J. Costa.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia

April 11, 2019

TISDALE RESOURCES CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018 AND 2017

	2018	2017
ASSETS		
Current assets		
Cash	$ 139,038	$ 179,302
Amounts receivable	20,160	18,533
	$ 159,198	$ 197,835
LIABILITIES		
Current liabilities		
Trade and other payables (note 6)	$ 138,230	$ 256,174
Loan payable (note 8)	204,419	-
	342,649	256,174
SHAREHOLDERS' DEFICIENCY		
Share capital (note 9)	12,900,151	12,790,151
Warrants reserve (note 10)	76,727	76,727
Share-based payment reserve (note 10)	250,442	250,442
Deficit	(13,410,771)	(13,175,659)
	(183,451)	(58,339)
	$ 159,198	$ 197,835

Nature and continuance of operations (note 1)

Approved on behalf of the Board:

Director *"Richard W. Grayston"*
Richard W. Grayston

Director *"Mark Ferguson"*
Mark Ferguson

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

TISDALE RESOURCES CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
Exploration expenditures: acquisition, maintenance, exploration and geological consulting (note 5)	$ 10,223	$ 4,833,922
General and administrative expenses		
Advertising and promotion	4,340	26,474
Consulting fees	62,601	249,553
Filing and listing fees	32,537	42,310
Interest (note 8)	14,254	8,707
Management fees (note 11)	56,000	47,000
Office	2,003	2,451
Professional fees	53,154	27,589
	224,889	404,084
Other item		
Gain on accounts payable reversal	-	(19,337)
Loss and comprehensive loss for the year	$ (235,112)	$ (5,218,669)
Basic and diluted loss per share	$ (0.02)	$ (0.60)
Weighted average number of common shares outstanding	10,415,683	8,634,324

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

TISDALE RESOURCES CORP.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	Number of Shares	Share Capital	Warrants Reserve	Share-based Payment Reserve	Deficit	Total Shareholders' Deficiency
Balance at January 1, 2017	8,367,722	$ 7,423,151	$ 76,727	$ 250,442	$ (7,956,990)	$ (206,670)
Shares issued in private placement	480,769	2,500,000	-	-		2,500,000
Shares issued for acquisition of subsidiary	1,525,000	2,867,000	-	-		2,867,000
Loss for the year	-	-	-	-	(5,218,669)	(5,218,669)
Balance at December 31, 2017	10,373,491	12,790,151	76,727	250,442	(13,175,659)	(58,339)
Balance at January 1, 2018	10,373,491	12,790,151	76,727	250,442	(13,175,659)	(58,339)
Shares issued in private placement	550,000	110,000	-	-	-	110,000
Loss for the year	-	-	-	-	(235,112)	(235,112)
Balance at December 31, 2018	10,923,491	$ 12,900,151	$ 76,727	$ 250,442	$ (13,410,771)	$ (183,451)

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

Note: On November 14, 2018, the Company consolidated all its issued and outstanding share capital on a one-new-for-four-old basis. All appropriate figures in these consolidated financial statements have been updated to reflect the share consolidation.

TISDALE RESOURCES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
Cash provided by (used in):		
Operating activities		
Loss for the year	$ (235,112)	$ (5,218,669)
Item not affecting cash:		
Interest in loans	14,419	
Shares issued for acquisition of Keefe Lake Projects Inc.	-	2,867,000
Change in non-cash working capital items:		
Amounts receivable	(1,627)	(14,570)
Prepaid expenses	-	375
Trade and other payables	72,056	204,377
Net cash flows used in operating activities	(150,264)	(2,161,487)
Financing activities		
Loan repayment	-	(160,033)
Proceeds from private placement, net of share issue costs	110,000	2,500,000
Net cash flows provided by financing activities	110,000	2,339,967
Change in cash during the year	(40,264)	178,480
Cash, beginning of the year	179,302	822
Cash, end of the year	$ 139,038	$ 179,302

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

Supplemental disclosure of cash flow information:

Interest paid in cash	$ -	$ 8,707
Income taxes paid in cash	$ -	$ -

Non-cash transactions:

Loan received upon conversion of accounts payable into loan payable (note 8)	$ 190,000	$ -

1. Nature and Continuance of Operations

Tisdale Resources Corp. (formerly Senator Minerals Inc.) (the “Company”), listed on the TSX-Venture Exchange (“TSX-V”) as (“TRC”), is a corporation continued under the laws of the Province of British Columbia with its principal, registered and records office located at 2200 – 885 West Georgia Street, Vancouver, BC V6C 3E8.

On November 14, 2018, the Company consolidated all its issued and outstanding share capital on a one-new-for-four-old basis. On the same date, the name of the Company was changed to Tisdale Resources Corp.

The Company is a junior exploration company engaged in the business of identification, acquisition and exploration of mineral interests in North America. At the date of the consolidated financial statements, the Company has not identified a known body of commercial grade minerals on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the property. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

Management is targeting sources of additional financing through alliances with financial, exploration and mining entities, and other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In addition, management closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favourable or adverse market conditions occur.

These consolidated financial statements have been prepared on a going concern basis which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The Company continues to incur operating losses and at December 31, 2018 had a cumulative deficit of $13,410,771 and a working capital deficiency of $183,451. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. Further discussion of liquidity risk is included in notes 3 and 4.

These consolidated financial statements were authorized for issue on April 11, 2019 by the directors of the Company.

2. Significant Accounting Policies and Basis of Preparation

(a) Statement of compliance and basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The presentation and functional currency of the Company is the Canadian dollar.

(b) Consolidation

The consolidated financial statements include the accounts of the Company and its controlled subsidiaries, after the elimination of all material intercompany balances and transactions. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

The Company's controlled subsidiaries included in these consolidated financial statements are:

Name	**Country of Incorporation**	**Ownership**	
		2018	**2017**
515427 BC Ltd.	Canada	100%	100%
Gunnar Minerals Corp.	Canada	100%	100%
Keefe Lake Projects Inc.	Canada	100%	100%

515427 BC Ltd. had no commercial activities during the current or previous year.

On September 13, 2017, the Company acquired Gunnar Minerals Corp. which held the right to acquire a 100% interest in the Carter Lake uranium project.

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. which held the right to acquire a 100% interest in the Keefe Lake uranium project.

2. Significant Accounting Policies and Basis of Preparation, continued

(c) Use of estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect events concerning the future. 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. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets and provisions for restoration and environmental obligations.

(d) Significant judgments

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's consolidated financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification/allocation of expenditures as exploration and evaluation expenditures or operating expenses; and
- the classification of financial instruments.

(e) Impairment

At each reporting period, management reviews all assets for indicators of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for that period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which that asset belongs.

2. Significant Accounting Policies and Basis of Preparation, continued

(e) Impairment, continued

Past impairments are also considered at each reporting period and where there is an indication that an impairment loss may have decreased, the recoverable amount is calculated as outlined above to determine the extent of the recovery. If the recoverable amount of the asset is more than its carrying amount, the carrying amount of the asset is increased to its recoverable amount and the impairment loss is reversed in the profit or loss for that period. The increased carrying amount due to reversal will not be more than what the depreciated historical cost would have been if the impairment had not been recognized.

(f) Share-based payments

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

(g) Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or less deferred tax assets, and deferred income tax provisions or recoveries could be affected.

(h) Exploration and evaluation assets

Exploration and evaluation expenditures are expensed as incurred. If it is determined by management that probable future benefits, consisting of contributions to future cash inflows, had been identified and adequate financial resources were expected to be available to meet the terms of property acquisition and budgeted maintenance, exploration, and development expenditures, these costs would be capitalized. To date, these criteria have not been met on any of the Company's mineral properties.

2. Significant Accounting Policies and Basis of Preparation, continued

(h) Exploration and evaluation assets, continued

From time to time, the Company may acquire or dispose of a property pursuant to the terms of an option agreement. Due to the fact that property options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments for acquired mineral properties are recorded as property costs and expensed. Proceeds of properties that are sold or optioned are recorded as revenues.

(i) Asset retirement obligations

The fair value of a liability for an asset retirement or environmental obligation is recognized when a reasonable estimate of fair value can be made. The asset retirement or environmental obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement or environmental cost is charged to operations using a systematic and rational method and the resulting liability is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and revisions to either the timing or the amount of the original estimate of undiscounted cash flow. As of December 31, 2018, the Company does not have any asset retirement or environmental obligations.

(j) Foreign currency translation

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company and its subsidiaries is the Canadian dollar. The consolidated financial statements are presented in Canadian dollars.

On initial recognition, foreign currency transactions are translated into the functional currency at the exchange rate in effect at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction, whereas nonmonetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition, are recognized in the consolidated statement of comprehensive loss in the period in which they arise.

2. Significant Accounting Policies and Basis of Preparation, continued

(j) Foreign currency translation, continued

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss shall be recognized in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognized in the consolidated statement of comprehensive loss, any exchange component of that gain or loss is also recognized in the statement of comprehensive loss.

(k) Financial instruments

Recognition, classification and measurement

Financial assets are classified and measured based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. IFRS 9 contains three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit and loss. Financial assets are recognized in the statements of financial position if the Company has a contractual right to receive cash or other financial assets from another entity. Financial assets are derecognized when the rights to receive cash flows from the asset have expired or were transferred and the Company has transferred substantially all risks and rewards of ownership.

All financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instruments. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial instruments are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company has classified its trade and other payables and a loan payable as financial liabilities measured at amortized cost. Such liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses. The Company has classified its cash as a financial asset measured at fair value through profit and loss.
Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2. Significant Accounting Policies and Basis of Preparation, continued

(k) Financial instruments, continued

Derivatives are carried at fair value and are reported as assets when they have a positive fair value and as liabilities when they have a negative fair value. Changes in the fair values of derivative financial instruments are reported in the consolidated statements of loss and comprehensive loss.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. A significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

Impairment of financial assets
The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. Loss allowances for accounts receivables are always measured at an amount equal to lifetime expected credit losses if the amount is not considered fully recoverable. A financial asset carried at amortized cost is considered credit-impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Individually significant financial assets are tested for credit-impairment on an individual basis. The remaining financial assets are assessed collectively.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Losses are recognized in the consolidated statement of comprehensive loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statements of comprehensive loss.

2. Significant Accounting Policies and Basis of Preparation, continued

(k) Financial instruments, continued

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. The Company's non-derivative liabilities consist of trade and other payable and a loan payable. Derivative liabilities are classified as fair value through profit or loss. The Company has no derivative assets or liabilities.

(j) New Accounting Standard Adopted

Adoption of IFRS 9 Financial Instruments (“IFRS 9”)

On January 1, 2018, the Company adopted the requirements of IFRS 9. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking “expected-loss” impairment model.

The Company has elected to apply the limited exemption in IFRS 9 paragraph 7.2.15 relating to transition for classification and measurement and impairment, and accordingly has not restated comparative periods in the year of initial application. IFRS 9 did not impact the Company’s classification and measurement of financial assets and liabilities, and there was no significant impact on the carrying amounts of the Company’s financial instruments at the transition date.

The introduction of the new ‘expected credit loss’ impairment model had negligible impact on the Company, given the Company sells its conducts sales with known organizations with no historical level of customer default, and the corresponding receivables from these sales are short-term in nature.

The Company currently has no hedging arrangements, and will apply the new accounting requirements under IFRS 9 as required.

2. Significant Accounting Policies and Basis of Preparation, continued

(l) New or revised accounting standards not yet adopted

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2019, or later periods. The Company has not early adopted these new standards in preparing these financial statements. The following pronouncement is considered by the Company to be the most significant of several pronouncements that may affect the financial statements in future periods.

Standard effective for annual periods beginning on or after January 1, 2019

IFRS 16 – Leases - On January 13, 2016 the IASB issued IFRS 16, “Leases”. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease.

The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply IFRS 15, “Revenue from contracts with customers” at or before the date of initial adoption of IFRS 16.

The extent of the impact of adoption of the above standard on the financial statements of the Company is not expected to be significant.

3. Capital Management

The Company’s objectives for the management of capital are to safeguard the Company’s ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its capital to be the accounts within shareholders’ deficiency. The Company’s policy is to maintain sufficient cash balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally-imposed capital requirements. There have been no changes in the Company’s approach to capital management during the year.

4. Financial Instruments and Risk Management

As at December 31, 2018, the Company's financial instruments consist of cash, loan and trade and other payables.

In management's opinion, the Company's carrying values of cash, trade and other payables and loan payable approximate their fair values due to the immediate or short term maturity of these instruments.

The Company's financial instruments are exposed to the following risks:

Credit Risk

The Company's primary exposure to credit risk is the risk of illiquidity of cash amounting to $139,038 at December 31, 2018. As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet trade and other payables and loans payable requirements. The Company tries to achieve this by maintaining sufficient cash to cover current liabilities as they mature. As at December 31, 2018, the Company had a working capital deficiency of $183,451 (2017 - $58,339). Liquidity risk is assessed as high.

Price Risk

The Company is not exposed to price risk.

Foreign Exchange Risk

The Company's functional and reporting currency is the Canadian dollar as most major expenditures and costs are made in Canadian dollars. As at December 31, 2018 and 2017, the Company had a negligible balance of cash on deposit for future expenditures in United States currency. The Company does not hedge foreign currency transactions. Management believes the foreign currency exchange risk derived from currency conversion to be negligible at this time.

Interest Rate Risk

The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

5. Exploration and Evaluation Properties

Ownership of mineral property interests may involve certain risks due to difficulties in determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyancing history characteristic of some mineral properties. The Company had investigated ownership of the mineral properties in which it has an interest and, to the best of its knowledge, all properties are in good standing.

It is the Company's policy to expense exploration and evaluation expenditures as incurred. See schedule below for details of expenditures in the years ended December 31, 2018 and 2017. As at December 31, 2018, the Company owned or had royalty interests or lease options on the following mineral property interests:

Patterson North East (PNE) Uranium Project, Northern Saskatchewan

On February 7, 2017, the Company entered into an option agreement to acquire a 100-per-cent interest in the Patterson North East (PNE) uranium project, located on the east side of the Athabasca basin in Northern Saskatchewan.

The Company can earn a 100% interest in the PNE project by making payments of $150,000 to the vendor at various times in year one, a further $250,000 on the first anniversary and a final payment of $500,000 on the second anniversary of the agreement. As at December 31, 2017, the Company had paid $115,000 to the optionor, and had spent a total of $80,550 for claim maintenance and exploration costs on the project. Total acquisition and exploration costs related the project was recognized in the statement of comprehensive loss.

The Company has elected to terminate its option to acquire the Patterson Northeast (PNE) Uranium Project.

5. Exploration and Evaluation Properties, continued

Carter Lake Uranium Project, South-western Saskatchewan

On September 13, 2017, the Company entered into a share purchase agreement with Gunnar Minerals Corp. ("Gunnar") pursuant to which it acquired 100% of the shares of Gunnar in consideration for a cash payment of $1,700,000. Gunnar holds the rights to acquire the Carter Lake Uranium Project, located in the southwestern corner of the Athabasca basin, Saskatchewan after signing an agreement with Doctors Investment Group Ltd. ("Doctors") to acquire 100% interest in and to the property on April 8, 2017. The project covers approximately 1,113 hectares on the Carter Lake corridor. The Carter Lake uranium project is subject to a 2% net smelter return royalty, one-half of which can be purchased in consideration for a cash payment of $2,000,000.

In consideration of the grant of the right by Doctors to purchase 100% undivided interest in the property, Gunnar shall pay:

(a) $100,000 in cash within 5 days of Gunnar entering into an assignment or other material agreement for an interest in the Property with an issuer with shares trading on a recognized stock exchange (issued on September 13, 2017) but in any event no later than 90 days after the signing of this agreement (paid July 5, 2017);

(b) A further $100,000 in cash and completing no less than $250,000 in qualified exploration expenditures on the Property, on or before April 8, 2019;

(c) A further $100,000 in cash and completing no less than $500,000 in qualified exploration expenditures on the Property, on or before April 8, 2020;

(d) A further $100,000 in cash and completing no less than $1,000,000 in qualified exploration expenditures on the Property, on or before April 8, 2021;

(e) At Gunnar's election, cash payments can be paid to Doctors in lieu of completing qualified exploration expenditures on the Property.

Keefe Lake Projects, North-eastern Saskatchewan

On November 24, 2017, the Company acquired 100% of the shares of Keefe Lake Projects Inc. Subject to existing royalty rights, Keefe Lake Projects Inc. holds a 100-per-cent interest in the Keefe Lake uranium project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca basin, in northeastern Saskatchewan, Canada.

6. Trade and Other Payables

		2018		2017
Trade	$	131,230	$	248,344
Other payables – accrued liabilities		7,000		7,830
	$	138,230	$	256,174

7. Acquisition of Subsidiaries

Gunnar Minerals Corp.

On September 13, 2017, the Company completed the acquisition of the Carter Lake uranium project through the purchase of Gunnar Minerals Corp. (“Gunnar”). Gunnar holds the right to acquire a 100% interest in the Carter Lake Uranium project.

Following completion of the acquisition, Gunnar became a wholly owned subsidiary of the Company. In consideration for the acquisition of Gunnar, the Company paid $0.227 per share for the 7,500,000 outstanding common shares of Gunnar, which includes a $100,000 commitment fee advanced to Gunnar in June 2017. As of closing of the acquisition, the Company has paid a total of $1,700,000 (including the commitment fee) as purchase consideration.

The Company was considered the acquirer, and Gunnar was considered the acquiree in the transaction. Gunnar was incorporated in April 2017 and did not constitute an operating business; therefore, the transaction was not accounted for as a business combination under IFRS 3. The consideration paid in excess of net liabilities acquired was expensed to exploration expenditures.

The following table summarizes the consideration paid and the fair value of the identifiable liabilities assumed as of the date of acquisition:

Cash paid	$ 1,700,000
Total consideration paid	**1,700,000**
Liabilities	(1,164)
Total value	**(1,164)**
Exploration expenditures	**$ 1,701,164**

7. Acquisition of Subsidiaries, continued

Keefe Lake Projects Inc.

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. (“Keefe Lake”). Pursuant to a purchase agreement entered into by the Company, Keefe Lake and its shareholders, Urania Resource Corp. and Doctors, whereby the Company acquired all of the issued and outstanding share capital of Keefe Lake for 6,100,000 common shares of the Company. The shares were valued at $0.47 per common share, based on the fair value of the shares on the date of TSX-V acceptance of this transaction.

The Company was considered the acquirer, and Keefe Lake was considered the acquiree in the transaction. Keefe Lake was incorporated in November 2017 and did not constitute an operating business; therefore, the transaction was not accounted for as a business combination under IFRS 3. The consideration paid in excess of net liabilities acquired was expensed to exploration expenditures.

The following table summarizes the consideration paid and the fair value of the identifiable liabilities assumed as of the date of acquisition:

Number of shares issued		6,100,000
Fair value of shares at acquisition date	$	0.47
Total consideration paid	**$**	**2,867,000**
Assets/Liabilities		-
Total value		**-**
Exploration expenditures	**$**	**2,867,000**

8. Loans Payable

On March 29, 2018, the Company entered into a debt modification agreement with Apollo Innovative Solutions Inc. (the “Creditor”). The Creditor agreed to convert its outstanding accounts payable of $190,000 into a note due on July 1, 2019 and the Company hereby agreed to pay the Creditor 10% interest on the outstanding balance, payable on maturity of the note. As of December 31, 2018, the Company accrued $14,419 in interest.

9. Share Capital

(a) Authorized:

Unlimited number of common shares without par value
Unlimited number of special shares issuable in series without par value

(b) Common shares issued:

2018

On November 14, 2018, the Company consolidated all its issued and outstanding share capital on a one-new-for-four-old basis. All figures as to the number of common shares, stock options, warrants, and loss-per-share in these consolidated financial statements have been retroactively restated to reflect the consolidation.

On December 3, 2018, the Company completed a non-brokered private placement by issuing 550,000 units at a price of $0.20 per unit for gross proceeds of $110,000. Each unit consists of one common share of the Company and one common share purchase warrant entitling the holder to acquire a further common share of the Company at a price of $0.26 per share for a period of twenty-four months.

2017

On August 24, 2017, the Company completed a non-brokered private placement by issuing 1,923,077 common shares, at a price of $1.30 per share, for total gross proceeds of $2,500,000.

On November 24, 2017, pursuant to a share purchase agreement with Keefe Lake (note 7), the Company issued 6,100,000 common shares valued at $2,867,000 or $0.47 per common share issued.

(c) Warrants

Warrant activity for the years ended December 31, 2018 and 2017 is presented below:

	2018		2017	
	Number of Warrants	**Weighted average exercise price**	**Number of Warrants**	**Weighted average exercise price**
Outstanding - beginning of year	-	$ -	-	$ -
Issued	550,000	0.26	-	-
Outstanding - end of year	550,000	$ 0.26	-	$ -

9. Share Capital

As at December 31, 2018, the following warrants were outstanding:

Number of Warrants	Weighted Average Exercise Price	Expiry date	Remaining Life (years)
550,000	$ 0.26	December 3, 2020	1.93
550,000	$ 0.26		

(d) Stock options

The Company has a rolling incentive stock option plan that can reserve a maximum of 10% of the issued shares of the Company at the time of the stock option grant with no vesting provisions, but including the following terms:

- Each incentive share purchase option is personal to the grantee and may be neither assigned nor transferred to anyone else;
- Individual incentive share purchase options will have no more than a maximum term of five (5) years from the date of their grant;
- Incentive share purchase options granted to any one individual in any 12 month period cannot exceed 5% of the issued and outstanding shares of the Company;
- Individual incentive share purchase options granted to any one consultant in any 12 month period shall not exceed 2% of the issued and outstanding shares of the Company; and
- Individual incentive share purchase option agreements granted to an employee or consultant conducting investor relations activities will not exceed an aggregate of 2% of the issued and outstanding shares of the Company in any twelve month period.

As at December 31, 2018 and 2017, the Company had no stock options outstanding.

10. Reserves

(a) Warrants reserve

This reserve records the incremental increase in the fair value of previously outstanding warrants resulting from a re-pricing.

(b) Share-based payments reserve

This reserve records items recognized as share-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amounts recorded could potentially be transferred to deficit but the Company has elected to maintain them in the share-based payments reserve account.

11. Related Party Transactions and Balances

Related Party Transactions

Key management compensation for the years ended December 31, 2018 and 2017 consisted of the following:

- Management fees in the amount of $56,000 (2017 - $47,000) were paid to a director, former directors and companies controlled by former directors of the Company.

Related Party Balances

At December 31, 2018, included in trade payables was $12,075 (2017 - $5,775) owing to a director and a company controlled by a former director of the Company in respect of fees.

12. Deferred Taxes

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	2018	2017
Loss before income tax	$ 235,112	$ 5,218,669
Combined federal and provincial income tax rate	27%	26%
Income tax recovery at statutory rate	(63,480)	(1,356,854)
Income tax rate change	(94,944)	-
Change in deferred tax benefits not recognized	158,424	1,356,854
Deferred income tax recovery	$ -	$ -

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	2018	2017
	$	$
Non-capital loss carry forwards	1,338,019	1,229,991
Exploration and evaluation assets	1,288,962	1,238,566
Deferred tax assets not recognized	(2,626,981)	(2,468,557)
	-	-

The Company has losses carried forward of approximately $4,956,000 available to reduce income taxes in future years which begin to expire in 2025. In addition, the Company has accumulated Canadian Exploration Expenses of approximately $201,000 and Canadian Development Expenses of approximately $4,573,000 for income tax purposes. The expenditures pools can be carried forward indefinitely to be applied against income of future years.

13. Operating Segment

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties located in North America (Saskatchewan).

Schedule – Exploration and Evaluation Expenditures

Property	Acquisition $	Maintenance $	Exploration $	Total Expended $
2018				
PNE	-	4,638	-	4,638
Carter Lake	-	585	5,000	5,585
	-	5,223	5,000	10,223
2017				
PNE	115,000	850	79,700	195,550
Carter Lake	1,701,164	-	70,208	1,771,372
Keefe Lake	2,867,000	-	-	2,867,000
	4,683,164	850	149,908	4,833,922