GENERIC GOLD CORPORATION

FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION (MAY 30, 2017) TO DECEMBER 31, 2017

(EXPRESSED IN CANADIAN DOLLARS)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Generic Gold Corporation

We have audited the accompanying financial statements of Generic Gold Corporation, which comprise the statement of financial position as at December 31, 2017, and the statement of loss and comprehensive loss, statement of cash flows, and statement of changes in shareholders' equity for the period from incorporation (May 30, 2017) to December 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Generic Gold Corporation as at December 31, 2017, and its financial performance and its cash flows for the period from incorporation (May 30, 2017) to December 31, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company had losses during the period ended December 31, 2017 and a cumulative deficit as at December 31, 2017. These conditions along with other matters set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

UHY McGovern Hurley LLP

UHY McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

TORONTO, Canada
April 30, 2018

Generic Gold Corporation

Statement of Financial Position
(Expressed in Canadian Dollars)

		As at December 31, 2017
ASSETS		
Current assets		
Cash	$	694,418
Amounts receivable and other assets (note 6)		92,923
Total assets	$	787,341
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Amounts payable and other liabilities (note 7)	$	98,359
Shareholders' equity		
Share capital (note 8)		6,623,456
Warrant reserve (note 10)		856,827
Deficit		(6,791,301)
Total shareholders' equity		688,982
Total liabilities and shareholders' equity	$	787,341

Nature of operations and going concern (note 1)
Contingencies (note 16)
Subsequent events (note 17)

Approved on behalf of the Board:

(Signed) "R. Bruce Durham", Director

(Signed) "Donald Christie", Director

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

Generic Gold Corporation
Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	From Incorporation (May 30, 2017) to December 31, 2017
Operating expenses	
Exploration and evaluation expenditures (notes 5 and 11)	$ 1,342,955
General and administrative (notes 12 and 13)	275,346
Net loss before income taxes	(1,618,301)
Income tax recovery (note 14)	24,000
Net loss and comprehensive loss for the period	$ (1,594,301)
Basic and diluted loss per share (note 9)	$ (0.06)
Weighted average number of common shares outstanding - basic and diluted	28,930,965

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

Generic Gold Corporation
Statement of Cash Flows
(Expressed in Canadian Dollars)

	From Incorporation (May 30, 2017) to December 31, 2017
Operating activities	
Net loss for the period	**$ (1,594,301)**
Adjustments for:	
Income tax recovery	**(24,000)**
Non-cash working capital items:	
Amounts receivable and other assets	**(92,923)**
Amounts payable and other liabilities	**98,359**
Net cash (used in) operating activities	**(1,612,865)**
Financing activities	
Issue of common shares (note 8(b)(i))	**2,358,639**
Share issuance costs	**(51,356)**
Net cash provided by financing activities	**2,307,283**
Net change in cash	**694,418**
Cash, beginning of period	**-**
Cash, end of period	**$ 694,418**
Supplemental information	
Common shares issued as commission	**$ 172,451**
Broker warrants issued	**$ 85,407**

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

Generic Gold Corporation

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

	Share capital		Warrant		
	Number	Amount	reserve	Deficit	Total
Balance, May 30, 2017	**-**	**$ -**	**$ -**	**$ -**	**$ -**
Issuance of common shares to parent company for mineral property (note 5)	25,000,000	5,197,000	-	(5,197,000)	-
Issuance of units (note 8(b)(i))	7,542,131	1,566,435	696,204	-	2,262,639
Issuance of units - flow-through (note 8(b)(i))	240,000	73,846	22,154	-	96,000
Flow-through premium	-	(24,000)	-	-	(24,000)
Issuance of units as commission (note 8(b)(i))	574,837	119,389	53,062	-	172,451
Cost of issue - commission (note 8(b)(i))	-	(172,451)	-	-	(172,451)
Cost of issue - warrants (note 8(b)(i))	-	(85,407)	85,407	-	-
Cost of issue - cash	-	(51,356)	-	-	(51,356)
Net loss for the period	-	-	-	(1,594,301)	(1,594,301)
Balance, December 31, 2017	**33,356,968**	**$ 6,623,456**	**$ 856,827**	**$ (6,791,301)**	**$ 688,982**

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

1. Nature of operations and going concern

Generic Gold Corporation (the "Company" or "Generic Gold") was incorporated under the laws of the Province of Ontario on May 30, 2017. The Company's principal business activity is mineral exploration focused on high-grade gold opportunities in Yukon, Canada. The head office of the Company is located at 141 Adelaide Street West, Suite 1660, Toronto, Ontario, M5H 3L5.

These financial statements of the Company were reviewed, approved and authorized for issue by the Board of Directors on April 30, 2018.

These financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due.

The Company is at an exploration stage and as is common with many exploration companies, it raises financing to support its exploration and acquisition activities. The Company has incurred a current net loss of $1,594,301 for the period ended December 31, 2017 and has an accumulated deficit of $6,791,301 as at December 31, 2017. In addition, the Company had working capital of $688,982 as at December 31, 2017.

However, existing funds may not be sufficient to explore potential exploration project acquisitions and in due course, further funding will be required. In the event that the Company is unable to secure further financing it may not be able to complete the development of its projects.

Nevada Zinc Corporation is the parent company of Generic Gold and owns approximately 75% of the Company's outstanding share capital as at December 31, 2017.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations 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, social licensing requirements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company’s assets may also be subject to increases in taxes and royalties, renegotiation of contracts and political uncertainty.

Due to limited working capital, the Company's ability to continue as a going concern is dependent on its ability to obtain additional sources of financing to successfully explore, evaluate and develop mineral projects, if they are proven successful, and ultimately, to achieve profitable operations. The success of these endeavours cannot be predicted at this time. These conditions indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments may be material.

2. Significant accounting policies

(a) Statement of compliance

The 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 accounting policies set out below have been applied consistently to the period presented in these financial statements unless otherwise noted below.

2. Significant accounting policies (continued)

(b) Basis of presentation

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

(c) Financial instruments

Financial assets:

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at FVTPL which are initially measured at fair value.

Financial assets are classified into the following categories: financial assets ‘at FVTPL’ which are measured at fair value through profit or loss, ‘available-for-sale’ financial assets which are measured at fair value through comprehensive income, ‘held-to-maturity investments’ and ‘loans and receivables’ which are measured at amortized cost. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities:

Financial liabilities are classified as either financial liabilities at 'FVTPL’ or ‘other financial liabilities’.

Other financial liabilities:

Other financial liabilities including borrowings are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

De-recognition of financial liabilities:

The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

The Company’s financial instruments consist of the following:

Financial assets:	**Classification:**
Cash	Loans and receivables
Amounts receivable	Loans and receivables

Financial liabilities:	**Classification:**
Amounts payable and other liabilities	Other financial liabilities

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of accounts or loan receivable, where the carrying amount is reduced through the use of an allowance account. When an accounts or loan receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(d) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset’s fair value less cost to sell or its value in use. In addition, long lived assets that are not amortized are subject to an annual impairment assessment.

2. Significant accounting policies (continued)

(e) Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of exploration properties, property option payments and evaluation activity.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

(f) Flow-through shares

Flow-through shares are a unique Canadian tax incentive. They are the subject of specific guidance under US GAAP, but there is no equivalent IFRS guidance. Therefore, the Company has adopted a policy whereby flow-through proceeds are allocated between the offering of the common shares and the sale of tax benefits when the common shares are offered. The allocation is made based on the difference between the quoted price of the common shares and the amount the investor pays for the flow-through shares. A liability is recognized for the premium paid by the investors and is then derecognized in the period of renunciation. The recognition of deferred income tax liability upon renunciation of the flow-through expenditure is recorded as income tax expense in the period of renunciation. Any difference between the amount of the liability component derecognized and deferred income tax liability recognized is recorded in the statement of loss and comprehensive loss.

(g) Cash

Cash in the statement of financial position comprise cash on hand and at banks. The Company's cash is invested with major financial institutions in business accounts.

(h) Provisions

A provision is recognized 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 of the obligation 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, where appropriate, the risks specific to the liability.

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.

The Company had no material provisions at December 31, 2017.

(i) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares.

2. Significant accounting policies (continued)

(j) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The Company does not record deferred tax assets to the extent that the Company does not consider it probable that a deferred tax asset will be recovered.

(k) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of an exploration property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either 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 that 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 restoration, rehabilitation and environmental costs as at December 31, 2017 as the disturbance to date is minimal.

(l) Significant accounting judgments and estimates

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. Significant accounting policies (continued)

(l) Significant accounting judgments and estimates (continued)

Critical accounting judgments and estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) Income, value added, withholding and other taxes:
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

(ii) Going concern
The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements as discussed in note 1.

Recent accounting pronouncements

(i) IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB as a complete standard in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The adoption of IFRS 9 will not have a material impact on the Company's financial statements.

(ii) 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 recognises 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 accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise 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 effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.

3. Capital risk management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, which comprises share capital, warrant reserve and deficit, which at December 31, 2017, totaled $688,982.

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to the Company's mineral properties. Selected information is provided to the Board of Directors of the Company. The Company’s capital management objectives, policies and processes have remained unchanged during the period ended December 31, 2017.

4. Financial risk management

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Board of Directors also provides regular guidance for overall risk management. There were credit risk, liquidity risk or market risk for the period ended December 31, 2017.

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with select major Canadian chartered banks, from which management believes the risk of loss to be minimal.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company’s liquidity and operating results may be adversely affected if its access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at December 31, 2017, the Company had cash of $694,418 to settle current liabilities of $98,359. All of the Company's financial liabilities as at December 31, 2017 are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

4. Financial risk management (continued)

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

(a) Interest rate risk

The Company has cash balances and regularly monitors its cash management policy. As a result, the Company is not subject to significant interest rate risk. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered bank.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Foreign currency risk is the risk that future cash flows of financial instruments will fluctuate as a result of changes in foreign exchange rates.

(c) Commodity and equity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as they relate to precious and base metals and other minerals, and the stock market to determine the appropriate course of action to be taken by the Company. Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depend upon the world market price of precious and base metals and other minerals. Precious and base metals and other mineral prices have fluctuated widely in recent years. There is no assurance that, even if commercial quantities of precious and base metals and other minerals are produced in the future, a profitable market will exist for them. As at December 31, 2017, the Company was not a precious minerals, base metals and other minerals producer. Even so, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of warrants.

5. Mineral properties

On May 30, 2017, the Company received a 100% interest in a number of mineral claims located in the Yukon Territory from Nevada Zinc Corporation ("Nevada Zinc"). As consideration the Company issued 25,000,000 common shares to Nevada Zinc at an estimated fair value of $0.21 per share for aggregate share consideration of $5,197,000. As this is considered a transaction with the sole shareholder of the Company, this value was recorded in equity.

The Company's property interest is located on the VIP Property (located in the Whitehorse Mining District), and throughout other parts of the Yukon Territory, Canada. The Company is continuing the evaluation of the precious metals potential of properties such as VIP, Livingstone and Goodman.

On May 1, 2013, Nevada Zinc entered into an amended option agreement ("Option Agreement") with Goldstrike Resources Ltd. (“Goldstrike”) for the Summit Property which is located in the Yukon Territory. Under the amended agreement, Goldstrike has the option to earn a 100% interest in the Summit Property by meeting the following payments: (i) issue 200,000 shares by May 31, 2013 (issued); (ii) issue 300,000 shares and pay $125,000 or issue shares in the equivalent amount, by October 31, 2015; (iii) issue 500,000 shares by October 31, 2016; and (iv) issue 600,000 shares and pay $250,000 or issue shares in the equivalent amount, and incur $1,000,000 in exploration expenditures by October 31, 2017. The Company would retain a 3.0% net smelter return ("NSR") and back-in option in which the Company could reacquire 30% of the property by paying Goldstrike $2,500,000.

(Expressed in Canadian Dollars)

5. Mineral properties (continued)

On April 30, 2016, Nevada Zinc agreed to extend all payment obligations by one year under the Option Agreement with Goldstrike for nil consideration.

On October 31, 2016, Nevada Zinc agreed to extend all payment obligations by an additional year under the Option Agreement with Goldstrike for nil consideration. Nevada Zinc reserved the right to shorten the extension period at any time by providing 30 day notice to Goldstrike.

Under the extended Option Agreement, Goldstrike has the option to earn a 100% interest in the Summit Property by meeting the following payments: (i) issue 200,000 shares by May 31, 2013 (issued); (ii) issue 300,000 shares and pay $125,000 or issue shares in the equivalent amount, by October 31, 2017; (iii) issue 500,000 shares by October 31, 2018; and (iv) issue 600,000 shares and pay $250,000 or issue shares in the equivalent amount, and incur $1,000,000 in exploration expenditures by October 31, 2019. The Company would retain a 3.0% NSR and back-in option in which the Company could reacquire 30% of the property by paying Goldstrike $2,500,000. (See note 17(ii)).

6. Amounts receivable and other assets

	As at December 31, 2017
Sales tax receivable - (Canada)	$ 88,160
Prepaid expenses	4,763
	$ 92,923

7. Amounts payable and other liabilities

Amounts payable and other liabilities of the Company are principally comprised of amounts outstanding for purchases relating to exploration and acquisition costs and general operating activities.

	As at December 31, 2017
Trade payables	$ 78,359
Accrued liabilities	20,000
	$ 98,359

The following is an aged analysis of the amounts payable and other liabilities:

	As at December 31, 2017
Less than 1 month	$ 77,839
1 to 3 months	20,520
	$ 98,359

8. Share capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

(i) On June 27, July 20 and September 22, 2017, the Company completed the first, second and third tranches, respectively, of a private placement financing of 7,542,131 units ("Units") at a price of $0.30 per Unit and 240,000 flow-through units ("Flow-through Units") at price of $0.40 per Flow-through Unit for a gross proceeds of $2,358,639. Each Unit consists of one common share of the Company and one common share purchase warrant ("Warrant"). Each Flow-through Unit consists of one flow-through common share ("FT Share") of the Company and one common share purchase warrant ("Warrant"). Each Warrant entitles the holder to acquire one common share of the Company at a price of $0.50 per common share for a period of 36 months following the closing date. Upon 30 days' written notice to the holders of the Warrants, the Company may accelerate the expiration date of the Warrants if after the common shares have been listed on a recognized Canadian stock exchange, the closing price of the common shares exceeds $1.00 for twenty (20) consecutive trading days.

In connection with the private placement, a finder's fee was paid to certain eligible finders in an amount equal to 8% of proceeds raised. The finder's fee was comprised of a cash payment of $15,520 and issuance of 574,837 Commission Units of the Company, at a fair value of $0.30 per Commission Unit. Each Commission Unit consists of one common share of the Company and one Warrant.

The fair value of the 8,356,968 Warrants was estimated at $771,420 using the Black-Scholes option pricing model. The following weighted average assumptions were used: risk-free interest rate - 1.04%; expected volatility - 100% which is based on the historical volatility of a comparable company, Nevada Zinc; expected dividend yield - nil; and expected life - 36 months.

In addition, an aggregate of 620,171 broker warrants were issued representing an amount equal to 8% of the number of common shares placed by eligible finders pursuant to the private placement. Each broker warrant entitles the holder to acquire one Unit of the Company at an exercise price of $0.30 per Unit commencing on the date of listing of the common shares of the Company on a recognized Canadian stock exchange and ending 24 months after the date of listing. The fair value of the 620,171 broker warrants was estimated at $85,407 using the Black-Scholes option pricing model. The following weighted average assumptions were used: risk-free interest rate - 0.96%; expected volatility - 85% which is based on the historical volatility of a comparable company, Nevada Zinc; expected dividend yield - nil; and expected life - 24 months.

9. Net loss per common share

The calculation of basic loss per share for the period ended December 31, 2017 was based on the loss attributable to common shareholders of $1,594,301 and the weighted average number of common shares outstanding of 28,930,965 for the period ended December 31, 2017. Diluted loss per share for the period ended December 31, 2017 did not include the effect of 8,977,139 warrants as they are anti-dilutive.

(Expressed in Canadian Dollars)

10. Warrants

The following table reflects the continuity of warrants for the period ended December 31, 2017:

	Number of warrants	Weighted average exercise price ($)
Balance, May 30, 2017	**-**	**-**
Issued (note 8(b)(i))	8,977,139	0.49
Balance, December 31, 2017	**8,977,139**	**0.49**

The following table reflects the actual warrants issued and outstanding as of December 31, 2017:

Issue date	Number of warrants outstanding	Grant date fair value ($)	Exercise price ($)	Expiry date
June 27, 2017	176,400	24,167	0.30	(1)
July 20, 2017	155,507	21,460	0.30	(1)
September 22, 2017	288,264	39,780	0.30	(1)
June 27, 2017	3,096,300	285,815	0.50	June 27, 2020
July 20, 2017	2,817,473	260,077	0.50	July 20, 2020
September 22, 2017	2,443,195	225,528	0.50	September 22, 2020
	8,977,139	**856,827**	**0.49**	

(1) Each broker warrant entitles the holder to acquire one Unit of the Company at an exercise price of $0.30 per Unit commencing on the date of listing of the common shares of the Company on a recognized Canadian stock exchange and ending 24 months after the date of listing.

11. Exploration and evaluation expenditures

	From Incorporation (May 30, 2017) to December 31, 2017
Yukon, Canada	
Camp construction	**$ 534,767**
Drilling	**350,898**
Claim renewal	**16,370**
Reports	**37,741**
Geological consulting	**122,585**
Transportation	**87,595**
Equipment and equipment rental	**23,990**
Accommodation	**39,714**
Field costs	**33,465**
Laboratory and analysis	**95,830**
Exploration and evaluation expenditures	**$ 1,342,955**

(Expressed in Canadian Dollars)

12. General and administrative expenses

		From Incorporation (May 30, 2017) to December 31, 2017
Salaries and benefits	$	102,252
Professional fees		80,679
Office and administrative expenses		27,628
Accounting and audit fees		50,531
Transfer agent fees		14,256
	$	275,346

13. Related party transactions and major shareholders

Related party transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The below noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors.

Remuneration of key management personnel of the Company was as follows:

		From Incorporation (May 30, 2017) to December 31, 2017
Salaries [(1)]	$	96,000

[(1)] Salaries paid for the services of the Chief Executive Officer and Chief Financial Officer included in general and administrative expenses on the statement of loss and comprehensive loss.

Major shareholders

To the knowledge of the directors and senior officers of the Company as at December 31, 2017, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than as set out below:

Major shareholder	Number of common shares	Percentage of outstanding common shares
Nevada Zinc Corporation	25,000,000	74.95 %

(Expressed in Canadian Dollars)

14. Income taxes

(a) Provision for income taxes

Major items causing the Company's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5% were as follows:

	From Incorporation (May 30, 2017) to December 31, 2017
Loss before income taxes	**$ (1,594,301)**
Expected income tax recovery based on statutory rate	**(422,000)**
Adjustment to expected income tax benefit:	
Flow-through renunciation	**25,440**
Share issue cost	**(59,000)**
Change in benefit of tax assets not recognized	**455,560**
Deferred income tax provision (recovery)	**$ -**

(b) Deferred income tax

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

	As at December 31, 2017
Unrecognized deductible temporary differences	
Non-capital loss carry-forwards	$ 12,000
Share issue costs	47,000
Mineral property costs	397,000
Deferred income tax liability	**$ 456,000**

As at December 31, 2017, the Company had $12,000 of non-capital income tax losses in Canada which expire in 2037.

15. Segmented information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the statement of loss and comprehensive loss for the period also represent segmented amounts. All of the Company's operations, assets and liabilities are in Canada.

16. Contingencies

The Company's exploration activities are subject to government laws and regulations, including tax laws and laws and regulations governing the protection of the environment. The Company believes that its operations comply in all material respects with all applicable past and present laws and regulations. The Company records provisions for any identified obligations, based on management's estimate at the time. Such estimates are, however, subject to changes in laws and regulations.

17. Subsequent events

(i) On September 26, 2017, the Company announced that it had executed a binding letter of intent ("LOI") with Wamco Technology Group Ltd. ("Wamco") for a business combination, pursuant to which the parties agreed to complete an amalgamation whereby Wamco would acquire all of the issued and outstanding common shares of Generic Gold by way of a three-cornered amalgamation (the "Amalgamation") between Generic Gold, Wamco and a corporation to be incorporated (being 2604935 Ontario Inc.). As a result of the Amalgamation, Generic Gold and 2604935 Ontario Inc. would amalgamate and become a wholly-owned subsidiary of Wamco.

On February 7, 2018, the common shares in the capital of Wamco were consolidated on the basis of one (1) post-consolidation common share of Wamco for every two point two (2.2) pre-consolidation common shares of Wamco. Each shareholder of Generic Gold will receive one (1) post-consolidation common share of the Resulting Issuer.

On February 20, 2018, Wamco, Generic Gold and 2604935 Ontario Inc. entered into a business combination agreement pursuant to which Generic Gold and 2604935 Ontario Inc. completed the Amalgamation pursuant to the Business Corporations Act (Ontario). Articles of amalgamation were filed with the Ontario Ministry of Government Services on February 20, 2018 to effect the Amalgamation. The name of the amalgamated corporation is 1989670 Ontario Limited. Upon the amalgamation becoming effective, the non-dissenting shareholders of Generic Gold received one (1) common share of Wamco for each one (1) common share of Generic Gold. Additionally, 8,356,968 warrants and 620,171 finder warrants were issued to former shareholders of Generic Gold. Wamco now holds 100% of the securities of the pre-amalgamated Generic Gold through its wholly-owned subsidiary 1989670 Ontario Limited.

Concurrently, Wamco filed articles of amendment effecting its name change to "Generic Gold Corp".

On February 28, 2018, Generic Gold Corp. announced that it had received final approval to list its common shares on the Canadian Securities Exchange ("CSE"). Generic Gold Corp. began trading on the CSE on March 1, 2018 under the symbol "GGC". Generic Gold Corp. has 36,358,365 shares outstanding of which 25,000,000 (68.8%) are held by Nevada Zinc Corporation and as at February 28, 2018 the Wamco shareholders owned 3,001,397 (8.2%) Generic Gold Corp. shares.

(ii) On April 10, 2018, Goldstrike abandoned and surrendered the Option Agreement in respect of all mineral claims of the Summit Property and the claims reverted to the Company.