



Lions Gate Metals Inc.
(An Exploration Stage Company)

Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2017

(Expressed in Canadian Dollars - unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. They include appropriate accounting principles, judgment and estimates in accordance with IFRS for unaudited consolidated interim financial statements

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

LIONS GATE METALS INC.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars - unaudited)
As at

	Note	September 30, 2017	December 31 2016
		\$	\$
Assets			
Current			
Cash		903,048	1,025,475
Receivable	5	3,323	8,619
		906,371	1,034,094
Non-Current			
Reclamation deposits		60,724	60,724
Mineral property interests	7	-	214,955
		60,724	275,679
		967,095	1,309,773
Liabilities			
Current			
Accounts payable	9	23,946	35,246
Accrued liabilities		-	10,000
		23,946	45,246
Equity			
Share capital	8	25,953,521	25,953,521
Share purchase warrants	8	283,157	283,157
Option reserve	8	396,485	125,958
Deficit		(25,690,014)	(25,098,109)
		943,149	1,264,527
		967,095	1,309,773

Nature of operations and going concern (Note 1)
Subsequent event (Note 13)

These consolidated financial statements were approved by Board of Directors on November 28, 2017 and were signed on its behalf by:

On behalf of the Board:

“Emily Davis” Director “Ian Harris” Director

LIONS GATE METALS INC.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars - unaudited)

	Note	Three months ended Sept. 30, 2017	Three months ended Sept. 30, 2016	Nine months ended Sept. 30, 2017	Nine months ended Sept. 30, 2016
		\$	\$	\$	\$
Amortization	6	-	1,001	-	1,166
Finance fees and bank charges		18	32	131	179
Consulting and management fees		-	50,000	5,000	50,000
Marketing		-	167,777	-	167,777
Filing and transfer agent fees		3,289	4,405	20,267	13,151
Office, rent and administration	9	21,505	32,991	56,983	54,110
Professional fees	9	3,680	3,143	14,704	14,868
Share-based payments	8	41,833	-	270,527	-
Write off of accounts payable and accrued liabilities	8	-	(52,136)	-	(52,136)
Loss before other items		(70,325)	(207,213)	(367,612)	(249,115)
Finance income		44	-	155	134
Impairment on abandonment of exploration and evaluation assets		-	-	(224,448)	-
Write-down of mineral property interests		-	(1,506,663)	-	(1,506,663)
Realized loss on sale of available-for-sale investments		-	(218,994)	-	(225,532)
Unrealized impairment of available-for-sale investments		-	(624)	-	-
		44	(1,726,281)	(224,293)	(1,732,061)
Total comprehensive loss for the period		(70,281)	(1,933,494)	(591,905)	(1,981,176)
Net loss per share					
Basic and diluted		(0.00)	(1.10)	(0.02)	(1.13)
Weighted average number of common shares outstanding					
Basic and diluted		25,856,201	1,759,226	25,856,201	1,759,226

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

LIONS GATE METALS INC.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Equity
(Expressed in Canadian dollars - unaudited)

	Common Shares #	Share Capital \$	Share purchase warrants \$	Option Reserve \$	AOCI \$	Deficit \$	Total \$
Balance at December 31, 2015	1,759,226	24,329,658	-	136,459	9,686	(21,484,516)	2,991,287
Unrealized loss on available for sale securities	-	-	-	-	(9,686)	9,686	-
Net loss for the period	-	-	-	-	-	(1,981,176)	(1,981,176)
Balance at September 30, 2016	1,759,226	24,329,658	-	136,459	-	(23,456,006)	1,010,111
Shares issued for cash, net share issue costs (Note 8)	20,763,642	1,373,863	75,433	-	-	-	1,449,296
Shares issued for settlement of accounts payable (Note 8)	3,333,333	250,000	207,724	-	-	-	457,724
Share-based payments (Note 8)	-	-	-	43,594	-	-	43,594
Stock options expired/cancelled	-	-	-	(54,095)	-	54,095	-
Net loss for the period	-	-	-	-	-	(1,696,198)	(1,696,198)
Balance at December 31, 2016	25,856,201	25,953,521	283,157	125,958	-	(25,098,109)	1,264,527
Share-based payments (Note 8)	-	-	-	270,527	-	-	270,527
Net loss for the period	-	-	-	-	-	(591,905)	(591,905)
Balance at September 30, 2017	25,856,201	25,953,521	283,157	396,485	-	(25,690,014)	943,149

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

LIONS GATE METALS INC.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars - unaudited)

	Nine months ended Sept. 30, 2017	Nine months ended Sept. 30, 2016
	\$	\$
Cash flows from operating activities		
Net loss for the period	(591,905)	(1,981,176)
Adjustments for:		
Depreciation	-	1,166
Impairment of exploration and evaluation assets	224,448	-
Write down of mineral property interests	-	1,506,663
Share-based payments	270,527	-
Realized loss on sale of available-for-sale investment	-	225,532
Changes in non-cash working capital items:		
Receivables	5,296	1,453
Prepaid expenses and advances	-	2,744
Accounts payable and accrued liabilities	(21,300)	265,842
Net cash flows from (used in) operating activities	(93,765)	22,191
Cash flows from investing activities		
Mineral property interests	(9,493)	(96,602)
Net cash used in investing activities	(9,493)	(96,602)
Cash flows from financing activities		
Proceeds from sale of marketable securities	-	57,726
Net cash from financing activities	-	57,726
Change in cash for the period	(122,427)	(16,685)
Cash, beginning	1,025,475	18,377
Cash, ending	903,048	1,692

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

LIONS GATE METALS INC.
(An Exploration Stage Company)
Notes to Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars - unaudited)
For the nine months ended September 30, 2017 and 2016

1. Nature of operations and going concern

Lions Gate Metals Inc. (the "Company") was incorporated under the Canada Business Corporations Act on March 28, 1980, and is in the business of acquiring, exploring and developing mineral properties. The Company has historically been a junior mineral exploration stage company in the business of acquiring, exploring and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. In November 2017, the Company announced that it has proposed a change of business and intends to transition to an investment issuer focused on companies in the blockchain technology industry. The Company's shares trade on the Canadian Securities Exchange ("CSE") under the symbol "LGM". The Company's registered and records office is located at 918 – 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3.

These condensed consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the nine months ended September 30, 2017, the Company incurred a net loss of \$591,905 (September 30, 2016: \$1,981,176) and as of that date the Company's deficit was \$25,690,014 (December 31, 2016: \$25,098,109). As at September 30, 2017, the Company had working capital surplus of \$882,425 which should be sufficient to finance exploration and operating costs over the next twelve months. Additional financing may be required to acquire new projects and ongoing costs. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

2. Basis of presentation and significant policies

(a) Basis of presentation and statement of compliance

The condensed consolidated interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these financial statements comply with International Accounting Standard ("IAS") 34 "Interim Financial Reporting".

The condensed consolidated interim financial statements do not include all of the information required of full annual financial statements and are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2016. However, these condensed consolidated interim financial statements provide selected significant disclosures that are required in the annual financial statements under IFRS.

The condensed consolidated interim financial statements have been prepared on an accrual basis, based on historical costs. The condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

2. Basis of presentation and significant policies - continued

(b) Basis of consolidation

These condensed consolidated interim financial statements incorporate the financial statements of the Company and the entities controlled by the Company. These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiary Canadian Copper & Gold Corp. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated on consolidation.

(c) Significant accounting estimates and judgements

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

Estimates

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

Judgments

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

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

2. Basis of presentation and significant policies - continued

(c) Significant accounting estimates and judgements - continued

Judgments - continued

(iii) These financial statements have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company's ability to continue in operation for the foreseeable future and to realize its assets and discharge its liabilities in the normal course of operations. There are several adverse conditions that may cast substantial doubt upon the soundness of this assumption (Note 1).

3. Future and recently adopted accounting standards

Recently adopted accounting standards

There are no new accounting standards adopted during the current year that have a material impact on the consolidated financial statements.

Future accounting standards

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods after December 31, 2016. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded from the discussion below.

- IFRS 9 - Financial Instruments; and
- IAS 15 – Revenue from contract with Customers.

The Company does not expect the implementation of these standards to have a significant impact on the Company's results of operations, financial position and disclosures.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

4. Available for sale investments

Available-for-sale investments consisted of investments in equity shares. The fair value of the publicly traded shares has been determined by reference to published price quotations in an active market. During the year ended December 31, 2016 most of the available-for sale investments were disposed of. As of September 30, 2017, the remaining available-for-sale investment has no value (December 31, 2016: \$nil).

During the year end December 31, 2016, the Company received 2,500,000 Aldever Resources Inc. ("Aldever") shares as an option payment on the Poplar property and transferred 2,000,000 of the Aldever shares as option payments on the Howard Lake property (Note 7).

LIONS GATE METALS INC.
(An Exploration Stage Company)
Notes to Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars - unaudited)
For the nine months ended September 30, 2017 and 2016

5. Receivables

	September 30, 2017	December 31 2016
	\$	\$
GST Recoverable	3,323	8,619

6. Equipment

	Computer Equipment
	\$
Cost	
Balance, December 31, 2015, 2016 and September 30, 2017	4,945
Accumulated amortization	
Balance, December 31, 2015	3,779
Amortization	1,116
Balance, December 31, 2016 and September 30, 2017	4,945
Net book value	
September 30, 2017	-
December 31, 2016	-

7. Mineral property interests

	Poplar	Whitford Lake	Howard Lake	Total
	\$	\$	\$	\$
Balance, December 31, 2015	2,651,482	305,000	77,333	3,033,815
Acquisition costs				
Option payments paid (received) in shares	(500,000)	-	120,000	(380,000)
	(500,000)	-	120,000	(380,000)
Deferred exploration expenditures				
Storage	12,058	-	-	12,058
Claim fees	-	-	6,160	6,160
Consulting	37,171	(201)	11,462	48,432
Miscellaneous	30,952	-	-	30,952
	80,181	(201)	17,622	97,602
Write down of mineral property	(2,231,663)	(304,799)	-	(2,536,462)
Balance, December 31, 2016	-	-	214,955	214,955

LIONS GATE METALS INC.
(An Exploration Stage Company)
Notes to Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars - unaudited)
For the nine months ended September 30, 2017 and 2016

7. Mineral property interests – continued

	Howard Lake	Total
	\$	\$
Balance, December 31, 2016	214,955	214,955
Acquisition costs		
Option payments paid (received) in shares	-	-
	-	-
Deferred exploration expenditures		
Claim fees	9,243	9,243
Consulting	250	250
	9,493	9,493
Write down of mineral property	(224,448)	(224,448)
Balance, September 30, 2017	-	-

Poplar mineral property

In prior years, the Company entered into various option agreements to acquire a 100% interest in certain mineral claims, known as the Poplar mineral property, located in the Omineca Mining District of B.C. The Company has met all required cash payments and share issuances related to these option agreements.

During the year ended December 31, 2014 the Company entered into an agreement with Aldever to option a 100% interest, subject to existing royalties, in the Poplar property. During the year ended December 31, 2015, The Company received 1,500,000 Aldever shares with a fair value of \$195,000 as option payments and recorded an impairment of \$45,038.

On January 8, 2016, the Company amended its agreement with Aldever and received 2,500,000 of Aldever shares with a fair value of \$500,000 (Note 4). The agreement was defaulted by Aldever during 2016.

On November 1, 2016, the Company entered into a sale agreement to sell the Poplar mineral property for a consideration of 10,000 Class L Redeemable, participating preferred shares of Doctors Investment Group Ltd. As the fair value of the preferred shares are not readily measurable, no value was attributed to the preferred shares. An impairment of \$2,231,663 on the Poplar property was recorded as a result of the sale of this property.

Whitford Lake mineral property

Pursuant to the terms of an Option Agreement dated February 18, 2013, and amended on August 26, 2013, with St. Jacques Mineral Corp., the Company had agreed to acquire an undivided 100% interest in the Whitford Lake Property located in the Athabasca Basin in Saskatchewan. In September 2013, the Company entered into a Whitford Lake Option Assignment Agreement with Canadian Uranium Corp. ("CanU"), which was later amended on December 1, 2013 and August 18, 2014, whereby the Company would transfer all of its interest in the Whitford Lake Option Agreement to CanU. This property is subject to a 1% NSR one half of which can be purchased by the Company for \$750,000 less any NSR amounts previously paid.

During the year ended December 31, 2015, the Option Agreement for Whitford Property went into default. The company did not extend the option agreement during the year ended December 31, 2016. Accordingly, the accumulated costs of \$304,799 were written off as at December 31, 2016.

7. Mineral property interests – continued

Howard Lake mineral property

Pursuant to the terms of an Option Agreement dated September 18, 2014 with St. Jacques Mineral Corp. and Urania Resource Corp. (the “Vendors”), the Company can earn a 100% interest in the Howard Lake Project located on the northeast shore of Howard Lake in Saskatchewan. The property is subject to a 1% Gross Overriding Royalty (“GORR”) that has been granted to the vendors relating to the claims held by each of them. The Company may purchase half of the GORR (0.5%) from each vendor for \$1,000,000.

On August 20, 2016, the Company amended its option agreement with the vendors for the Howard Lake Option Agreement.

During the year ended December 31, 2015, the Company recorded a write-down of \$38,667 due to the lapse of two claims with respect of the Howard Lake mineral property.

In July 2017, the Company provided the optionors of the Howard Lake property a notice of termination of the option agreement. Accordingly, accumulated expenses of \$224,448 were written off as of June 30, 2017.

8. Share capital

On November 18, 2016 the common shares of the Company were consolidated on the basis of four pre-consolidation common shares for one post-consolidation common share. The Company’s options and warrants were also consolidated on the same basis. All shares, options and warrant information are reflected on a post-consolidation basis.

(a) Authorized

- (i) Authorized – unlimited number of common shares without par value
- (ii) Issued and outstanding – 25,856,201 (December 31, 2016: 25,856,201) common shares

(b) Share issuances

On November 18, 2016, the Company closed a first tranche of a non-brokered private placement of 13,474,996 units at a price of \$0.075 per unit for gross proceeds of \$1,010,625. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of \$0.10 per share until November 18, 2018. The Company paid \$15,412 in cash as broker’s fee, issued 458,100 finder’s shares with a fair value of \$34,358 and issued 458,100 finder’s warrants with a fair value of \$28,629 in relation to the financing. Each finder’s warrant carries the same terms as those issued for the private placement. The fair value of finder’s warrants was determined using the Black-Scholes Pricing Model using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the private placement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 18, 2016 closing date.

8. Share capital - continued

(b) Share issuances – continued

LIONS GATE METALS INC.**(An Exploration Stage Company)****Notes to Condensed Consolidated Interim Financial Statements***(Expressed in Canadian dollars - unaudited)*

For the nine months ended September 30, 2017 and 2016

On November 24, 2016, the Company closed a second tranche of a non-brokered private placement of 6,640,666 units at a price of \$0.075 per unit for gross proceeds of \$498,050. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of \$0.10 per share until November 24, 2018. The Company paid \$43,967 in cash as broker's fee, issued 189,880 finders' shares with a fair value of \$14,241 and issued 748,840 finder's warrants with a fair value of \$46,804 in relation to the financing. Each finder's warrant carries the same terms as those issued for the private placement. The fair value of the finder's warrants was determined using the Black-Scholes Pricing Model using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the private placement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 24, 2016 closing date.

On November 24, 2016, the Company issued 1,333,333 units and 2,000,000 units at a fair value of \$0.075 in consideration of settlements of accounts payable in the amounts of \$100,000 and \$150,000 respectively. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of \$0.10 per share until November 24, 2018. The fair value of the share purchase warrants was determined to be \$207,724 using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the settlement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 24, 2016 closing date. The Company recorded a loss on settlement of \$207,724.

(c) Share purchase warrants

The balance of warrants outstanding and exercisable for as at September 30, 2017 is as follows:

	Number of shares	Weighted average exercise price
Balance, December 31, 2015	-	\$ -
Issued	24,655,935	0.10
Balance, December 31, 2016 and September 30, 2017	24,655,935	0.10
Warrants exercisable, September 30, 2017	16,437,290	0.10
Weighted average remaining contractual life		1.14 years

8. Share capital - continued**(c) Share purchase warrants – continued**

LIONS GATE METALS INC.**(An Exploration Stage Company)****Notes to Condensed Consolidated Interim Financial Statements***(Expressed in Canadian dollars - unaudited)*

For the nine months ended September 30, 2017 and 2016

Expiry Date	Warrants outstanding			Warrants exercisable		
	Exercise Price	Warrants	Weighted Average Exercise Price	Weighted average remaining contractual life (years)	Warrants	Weighted Average Exercise Price
	\$		\$			\$
November 18, 2018	0.10	13,933,096	0.10	0.64	9,288,730	0.10
November 24, 2018	0.10	10,722,839	0.10	0.50	7,148,560	0.10
		24,655,935	0.10	1.14	16,437,290	0.10

(d) Stock options

The Company has a Rolling Incentive Stock Option Plan (“the Plan”) under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or consultants of the Company. A maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. Terms of the Plan, considered to be the most significant, provide that the Directors have the right to grant options to acquire common shares of the Company at a price not less than the closing market price of the shares on the date the Company grants the option, less any discount permitted by the CSE, at terms of up to ten years. The majority of stock options vest immediately on the date of grant unless otherwise required by the CSE or the Board of Directors.

On December 8, 2016, the Company granted 2,375,000 stock options to directors and consultants of the Company at an exercise price of \$0.165 per common share for a period of five years ending December 8, 2021. The stock options vest as at 25% every three months after the grant date. The fair value of the options granted was determined to be \$329,703 using the following assumptions: Risk-free rate of 1.07%; Expected life of 5 years, Expected volatility of 125% and dividend yield of nil. During the nine months ended September 30, 2017, the Company recognized share-based payment of \$270,527 (2016: \$nil) in net loss.

8. Share capital - continued**(d) Stock options - continued**

LIONS GATE METALS INC.
(An Exploration Stage Company)
Notes to Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars - unaudited)
For the nine months ended September 30, 2017 and 2016

The balance of stock options outstanding and exercisable for as at September 30, 2017 is as follows:

	Number of shares	Weighted average exercise price
	\$	\$
Balance, December 31, 2015	30,625	12.12
Cancelled/expired	(24,312)	12.12
Granted	2,375,000	0.165
Balance, December 31, 2016	2,381,313	0.165
Expired	(6,313)	12.12
Balance, September 30, 2017	2,375,000	0.165
Options exercisable, September 30, 2017	1,781,250	0.165
Weighted average remaining contractual life		4.19 years

	Options outstanding			Weighted average remaining contractual life (years)	Options exercisable	
	Exercise Price	Options	Weighted Average Exercise Price		Options	Weighted Average Exercise Price
Expiry Date	\$		\$			\$
December 8, 2021	0.165	2,375,000	0.165	4.19	1,781,250	0.165

(e) Reserves

Share purchase warrant reserve records fair value of the warrants issued as part of the units in private placement and issued for finders until such time that the warrants are exercised or expired, at which time the corresponding amount will be transferred to share capital. The reserve also records fair value of the warrant issued for services other than finders until such time that the warrants are exercised or expired, at which time the corresponding amount will be transferred to share capital or charged to deficit, respectively.

Option reserve records fair value of the stock options issued for services until such time that the options are exercised or expired, at which time the corresponding amount will be transferred to share capital or charged to deficit, respectively.

9. Related party transactions

LIONS GATE METALS INC.
(An Exploration Stage Company)
Notes to Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars - unaudited)
For the nine months ended September 30, 2017 and 2016

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Geological consulting fees	-	3,000	-	9,000
Office services fees	-	5,500	-	25,500
	-	8,500	-	34,500

A loan of \$1,600 was included in accounts payable and accrued liabilities as of September 30, 2016 due to a former officer of the Company.

10. Financial instruments and risk management

Financial instrument risk

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board approves and monitors the risk management processes:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Credit risk is assessed low.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to settle liabilities and obligations when they become due. As at September 30, 2017, the Company had cash and receivables of \$906,371 to settle current liabilities of \$23,946. Liquidity risk was assessed as low.

Market risk

Market risk consists of currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has no foreign exchange rate risk.

Interest rate and commodity price risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company is not significantly exposed to interest rate or commodity price risk.

11. Segment reporting

The Company operates in one reportable operating and geographic segment, being the exploration and

evaluation of mineral properties in Canada.

12. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the exploration and development of mineral properties.

In order to maintain or adjust its capital structure the Company may issue new equity if it is available on favorable terms, finance through debt, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture agreements, or dispose of mineral properties.

The Company is dependent on capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets, by the status of the Company's projects in relation to these markets and by its ability to compete for investor support of its projects. The Company is not subject to externally imposed capital requirements and there were no changes in the Company's management of capital during the period ended September 30, 2017. The Company's capital structure consists of shareholders' equity, which is comprised of share capital net of accumulated deficit. In order for the Company to carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and intends to raise additional amounts externally as needed.

13. Subsequent event

On October 30, 2017, the Company closed a non-brokered private placement of 10,000,000 common shares at a price of \$0.20 per common share for gross proceeds of \$2,000,000. The Company issued 790,000 finder shares and 790,000 finder warrants in connection with the private placement. Each warrant entitles the holder to purchase one additional common share of the Company for a period of two years from the date of issuance at a price of \$0.20 per share.

On November 16, 2017, 2,675,999 share purchase warrants of the Company at \$0.10 were exercised for total proceeds of \$267,600.