CRUZ COBALT CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

April 30, 2019

NOTICE OF NO AUDITOR REVIEW

The unaudited condensed consolidated interim financial statements, and accompanying notes thereto, for the periods ended April 30, 2019 and 2018 have not been reviewed by the Company’s external auditor.

CRUZ COBALT CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

ASSETS	April 30, 2019	July 31, 2018
Current assets		
Cash and cash equivalents – Note 5	$ 2,187,528	$ 2,807,027
Receivables – Note 6	19,483	35,102
Prepaid expenses – Note 7	37,775	264,055
Total current assets	2,244,786	3,106,184
Non-current assets		
Rent deposit	29,620	29,620
Exploration and evaluation assets – Note 8	2,016,655	1,701,097
Total assets	$ 4,291,061	$ 4,836,901
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities – Notes 9 and 13	$ 22,548	$ 43,154
SHAREHOLDERS' EQUITY		
Share capital – Note 11	19,087,872	19,087,872
Reserves – Note 11	1,581,249	1,581,249
Accumulated deficit	(16,400,608)	(15,875,374)
Total shareholders' equity	4,268,513	4,793,747
Total liabilities and shareholders' equity	$ 4,291,061	$ 4,836,901

Nature and Continuance of Operations (Note 1)
Commitment (Note 16)

APPROVED BY THE DIRECTORS:

"Seth Kay"	Director	*"James Nelson"*	Director
Seth Kay		James Nelson	

CRUZ COBALT CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Three months ended April 30, 2019	Three months ended April 30, 2018	Nine months ended April 30, 2019	Nine months ended April 30, 2018
Operating expenses				
Consulting	$ 23,820	$ 34,550	$ 65,820	$ 104,988
Corporate branding	17,072	116,609	23,072	459,320
Investor relations	75,000	75,000	225,000	125,000
Management fees – Note 13	24,000	25,500	92,000	93,500
Office and miscellaneous	26,242	23,509	60,678	64,937
Professional fees – Note 13	15,164	24,424	61,240	64,258
Shareholder information	-	7,674	3,303	24,249
Share-based payments – Notes 11 and 13	-	-	-	364,182
Transfer agent and filing fees	3,515	6,594	14,309	23,051
Travel and misc	832	1,500	5,270	9,541
	(185,645)	(315,360)	(550,692)	(1,333,026)
Interest income	7,799	8,577	25,458	17,359
Other income on settlement of flow-through share premium – Note 10	-	4,125	-	45,098
	7,799	12,702	25,458	62,457
Net comprehensive loss for the period	$ (177,846)	$ (302,658)	$ (525,234)	$ (1,270,569)
Loss per share – basic and diluted – Note 12	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.02)
Weighted average number of shares outstanding – basic and diluted – Note 12	78,646,890	77,632,676	78,646,890	69,991,887

CRUZ COBALT CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Nine months ended April 30, 2019	2018
Operating Activities		
Loss for the period	$ (525,234)	$ (1,270,569)
Adjustments for non-cash items:		
Share-based payments	-	364,182
Other income on settlement of flow-through share premium	-	(45,098)
Changes in non-cash working capital items:		
Receivables	15,619	(13,927)
Prepaid expenses	226,280	(307,270)
Accounts payable and accrued liabilities	(31,425)	(615,482)
Cash used in operating activities	(314,760)	(1,888,164)
Investing Activities		
Exploration and evaluation assets	(304,739)	(348,141)
Cash used in investing activities	(304,739)	(348,141)
Financing Activities		
Proceeds from issuance of share capital	-	3,356,268
Share issue costs	-	(52,770)
Cash provided by financing activities	-	3,303,498
Change in cash during the period	(619,499)	1,067,193
Cash, beginning of the period	2,807,027	1,926,311
Cash, end of the period	$ 2,187,528	$ 2,993,504

Supplemental Disclosure with Respect to Cash Flows (Note 15)

CRUZ COBALT CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

	Share Capital			Accumulated	
	Number of shares	Amount	Reserves	Deficit	Total
Balance, July 31, 2017	60,341,046	$ 15,544,490	$ 1,456,951	$ (13,887,043)	$ 3,114,398
Shares issued for private placement	4,619,047	1,000,000	-	-	1,000,000
Share issue costs	-	(52,770)	-	-	(52,770)
Shares purchase warrants exercised	9,686,797	1,556,268	-	-	1,556,268
Stock options exercised	4,000,000	800,000	-	-	800,000
Broker warrants issued for private placement	-	(37,781)	37,781	-	-
Stock options issued	-	-	364,182	-	364,182
Transfer of reserves on options exercised	-	242,788	(242,788)	-	-
Transfer of reserves on warrants exercised	-	34,877	(34,877)	-	-
Loss for the period	-	-	-	(1,270,569)	(1,270,569)
Balance, April 30, 2018	78,646,890	19,087,872	1,581,249	(15,157,612)	5,511,509
Loss for the period	-	-	-	(717,762)	(717,762)
Balance, July 31, 2018	78,646,890	19,087,872	1,581,249	(15,875,374)	4,793,747
Loss for the period	-	-	-	(525,234)	(525,234)
Balance, April 30, 2019	78,646,890	$ 19,087,872	$ 1,581,249	$ (16,400,608)	$ 4,268,513

1. NATURE AND CONTINUANCE OF OPERATIONS

Cruz Cobalt Corp. (the "Company") is an exploration stage public company and is listed on the TSX Venture Exchange ("Exchange") under the symbol "CUZ". The Company's principal business activities include acquiring and exploring exploration and evaluation assets. At April 30, 2019, the Company had exploration and evaluation assets located in Canada and the U.S.A.

The Company's head office and principal business address is Suite 1470, 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6. The Company's registered and records office is located at 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. At April 30, 2019, the Company had not yet achieved profitable operations, incurred a net loss of $525,234 during the nine months ended April 30, 2019 and had an accumulated deficit of $16,400,608 since its inception. The Company expects to incur further losses in the development of its business, all of which may cast substantial doubt on the Company's ability to continue as a going concern. The Company may require additional financing in order to conduct the planned work programs on its exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these condensed consolidated interim financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these condensed consolidated interim financial statements.

2. BASIS OF PREPARATION

a) Statement of Compliance

These condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS34") as issued by the International Accounting Standards Board ("IASB"). Therefore, these condensed consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the Company's most recently issued audited financial statements for the year ended July 31, 2018, which includes information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies, use of judgements and estimates were presented in Note 2 and Note 3 of these audited financial statements, and have been consistently applied in the preparation of these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on June 21, 2019.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

b) Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

c) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

The principal subsidiaries of the Company as of April 30, 2019 are as follows:

Name of subsidiary	**Principal activity**	**Place of Incorporation**	**Ownership Interest April 30, 2019**	**Ownership Interest July 31, 2018**
Cobalt Locaters Inc.	Holding company	Canada	100%	100%
Cruz Capital (US) Corp.	Holding company	USA	100%	100%

3. NEW ACCOUNTING STANDARDS ADOPTED DURING THE PERIOD

IFRS 9 – Financial Instruments (“IFRS 9”)

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity’s business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments.

The amended standard was adopted on August 1, 2018 and the impact to the Company’s condensed consolidated interim financial statement will be to classify its investments to fair value through profit or loss which was previously classified as available for sale. Future changes in the fair value of investment will be recorded directly in profit or loss. No other differences of any significance have been noted in relation to the adoption of IFRS 9.

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards.

IFRS 16 – Leases ("IFRS 16")

In January 2016, the IASB issued IFRS 16 *Leases ("IFRS 16")* which replaces IAS 17, *Leases* and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The standard is effective for annual periods beginning on or after January 1, 2019, with early application permitted for entities that apply IFRS 15. The Company is currently evaluating the impact of IFRS 16 on its condensed consolidated interim financial statements.

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in Canadian Dollars and include the following components:

	April 30, 2019	July 31, 2018
Cash at bank	$ 13,028	$ 32,527
Short-term deposits	2,174,500	2,774,500
	$ 2,187,528	$ 2,807,027

6. RECEIVABLES

The Company's receivables comprise of goods and services tax ("GST") receivable due from Canadian government taxation authorities and accrued interest on short-term deposits.

	April 30, 2019	July 31, 2018
Related party receivable	$ -	$ 3,512
Accrued interest on short-term deposits	13,202	25,260
GST recoverable	6,281	6,330
Total receivables	$ 19,483	$ 35,102

All amounts are short-term and the net carrying value of receivables is considered a reasonable approximation of fair value. The Company anticipates full recovery of these amounts and therefore no impairment has been recorded against receivables. The Company's receivables are all considered current and are not past due or impaired. The Company does not possess any collateral related to these assets.

(Expressed in Canadian Dollars)

7. PREPAIDS

The Company's prepaids are comprised of fees prepaid to vendors of the Company and include the following components:

		April 30, 2019		July 31, 2018
Corporate branding	$	7,500	$	1,373
Investor relations *		25,000		250,000
Other prepaids		5,275		12,682
Total prepaids	$	37,775	$	264,055

* On December 1, 2017, the Company entered into two consulting agreements with two arm's length entities for them to provide digital marketing, digital media, corporate advisory and branding and strategic business services to the Company over an 18 month period. The Company prepaid the full amount to these two entities. This balance relates to services to be provided over the remaining contract period.

(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS

The Company's exploration and evaluation assets consist of the following mineral properties:

	BC War Eagle Cobalt	BC Purcell Cobalt Prospect	ON Cobalt Prospects	Yukon Quartz Claims	Idaho Star Cobalt Prospect	Montana Chicken Hawk Cobalt Prospect	Nevada Clayton Valley W. Lithium Property	Total
Balance, July 31, 2017	$ 13,512	$ 282,032	$ 692,370	$ 16,133	$ 66,377	$ 731,079	$ 34,701	$ 1,836,204
Acquisition costs								
Staking costs	7,283	7,197	60,890	-	-	-	-	75,370
Deferred exploration expenditures								
Geological expenses	2,283	1,217	49,123	-	-	-	-	52,623
Geological report	1,500	1,500	-	-	-	-	-	3,000
Geophysical expenses	-	-	3,300	-	-	-	-	3,300
Claim maintenance fees	-	-	-	210	8,921	18,837	2,603	30,571
Field supplies and equipment	-	-	2,581	-	-	-	-	2,581
Lab and assay	-	-	13,482	-	-	-	-	13,482
Prospecting	-	-	3,313	-	-	-	-	3,313
Sampling	-	-	14,040	-	-	-	-	14,040
Survey	13,500	13,500	117,304	-	-	-	-	144,304
Travel & misc	1,536	768	16,700	-	-	-	-	19,004
Advance for exploration	-	-	11,413	-	-	-	-	11,413
Prior year advance for exploration	-	-	(52,108)	-	-	-	-	(52,108)
Write-down of exploration and evaluation assets	(19,999)	(306,214)	(2,300)	-	(68,452)	(59,035)	-	(456,000)
Balance, July 31, 2018	19,615	-	930,108	16,343	6,846	690,881	37,304	1,701,097
Deferred exploration expenditures								
Geological expenses	-	-	89,756	-	-	-	-	89,756
Geological report	-	-	32,143	-	-	-	-	32,143
Claim maintenance fees	-	-	-	210	832	13,425	2,692	17,159
Drilling	-	-	115,147	-	-	-	-	115,147
Field supplies and equipment	-	-	9,547	-	-	-	-	9,547
Lab and assay	-	-	25,733	-	-	-	-	25,733
Travel & misc	-	-	37,486	-	-	-	-	37,486
Prior year advance for exploration	-	-	(11,413)	-	-	-	-	(11,413)
Balance, April 30, 2019	$ 19,615	$ -	$ 1,228,507	$ 16,553	$ 7,678	$ 704,306	$ 39,996	$ 2,016,655

8. EXPLORATION AND EVALUATION ASSETS (continued)

Title to Interests in Exploration and Evaluation Assets

Title to exploration and evaluation asset interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers, and rights of ownership may be affected by undetected defects.

BC War Eagle Cobalt Prospect – Staking

In June 2016, the Company acquired a 100% interest in certain mineral claims in British Columbia for staking costs of $3,496.

In January 2018, the Company acquired a 100% interest in certain mineral claims in British Columbia for staking costs of $7,283.

In October 2018, the Company decided to drop certain War Eagle claims and will allow them lapse when they become due. Accordingly, prior acquisition costs of $7,283 and exploration costs of $12,716 associated with these lapsed claims were written off as of July 31, 2018.

As at April 30, 2019, the Company had spent a total of $16,119 in exploration expenditures on this prospect.

BC and ON Cobalt Prospects – Share Purchase Agreement and Staking

On July 22, 2016, the Company entered into a share purchase agreement (the “Cobalt Locaters SPA”) with four arm’s length vendors (the “Vendors”) to purchase 100% of the issued and outstanding shares of Cobalt Locaters Inc., which holds a 100% interest in two cobalt prospects in B.C. (the "Purcell Cobalt Prospect") and a 50% interest in four cobalt prospects in Ontario (the "Coleman Cobalt Prospect", the "Bucke Cobalt Prospect", the "Hector Cobalt Prospect", and the "Johnson Cobalt Prospect"). The acquisition has been accounted for as an asset acquisition. In August 2016, the Company paid $20,000 cash and issued 4,800,000 shares (issued at a value of $816,000) to the Vendors pursuant to the Cobalt Locaters SPA. Cobalt Locaters Inc. became a wholly-owned subsidiary of the Company. The acquisition costs had been split evenly between these six cobalt properties. During the nine months ended April 30, 2019, the Company acquired the remaining 50% interest in the above four Ontario cobalt prospects from an arm's length vendor at no costs. As of today, the Company holds a 100% interest in the above four Ontario cobalt prospects.

In September 2016, the Company acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in its Johnson Cobalt Prospect, Bucke Cobalt Prospect and Hector Cobalt Prospect for staking costs of $19,500.

In December 2016, the Company acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in its Coleman Cobalt Prospect for staking costs of $2,300. Subsequent to July 31, 2018, the Company decided to drop these claims. Prior acquisition costs of $2,300 were written off as of July 31, 2018.

8. EXPLORATION AND EVALUATION ASSETS (continued)

BC and ON Cobalt Prospects – Share Purchase Agreement and Staking (continued)

In June 2017, the Company acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in its Coleman Cobalt Prospect for staking costs of $1,268.

In December 2017 and January 2018, the Company acquired a 100% interest in certain mineral claims in Ontario referred to as the Lorraine Cobalt Prospect for staking costs of $45,600.

In April 2018, the Company acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in its Lorraine Cobalt Prospect for staking costs of $15,290.

As at April 30, 2019, the Company had spent a total of $589,515 in exploration expenditures on the ON Cobalt Prospects.

Yukon Quartz Claims – Purchase Agreement

During the year ended July 31, 2010, the Company acquired a 100% interest in certain quartz mineral claims located in the Yukon Territory.

During the years ended July 31, 2013, 2015 and 2016, the Company decided not to continue with certain claims and allowed these claims to lapse when they became due. Accordingly, prior acquisition costs of $670,862 and exploration costs of $34,838 associated with these lapsed claims were written off.

As at April 30, 2019, the Company had spent a total of $1,917 in exploration expenditures on the remaining Yukon Quartz claims.

Idaho Star Cobalt Prospect – Staking

In October 2016, the Company acquired a 100% interest in the Idaho Star Cobalt Prospect in Idaho, U.S.A. for staking costs of $39,964.

In August 2018, the Company decided to drop certain Idaho claims and allowed them to lapse when they became due. Prior acquisition costs of $36,330 and exploration costs of $32,122 were written down as of July 31, 2018.

As at April 30, 2019, the Company had spent a total of $4,045 in exploration expenditures on this prospect.

Montana Chicken Hawk Cobalt Prospect – Agreement and Staking

On February 27, 2017, the Company entered into an agreement with an arm's length vendor (the "Montana Vendor") to acquire a 100% interest in the Chicken Hawk Cobalt Prospect located in Deer Lodge County, Montana, U.S.A. In consideration, the Company issued 3,000,000 common shares (issued at a value of $600,000) to the Montana Vendor.

In July 2017, the Company acquired a 100% interest in certain mineral claims in Montana to increase the holdings in its Chicken Hawk Cobalt Prospect for staking costs of $25,426.

(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS (continued)

Montana Chicken Hawk Cobalt Prospect – Agreement and Staking (continued)

In August 2018, the Company decided to drop certain Montana Chicken Hawk claims and allowed them to lapse when they became due. Prior acquisition costs of $24,578 and exploration costs of $34,457 were written down as of July 31, 2018.

As at April 30, 2019, the Company had spent a total of $103,458 in exploration expenditures on this prospect.

Nevada Clayton Valley West Lithium Prospect – Purchase Agreement

On September 15, 2015, the Company entered into a purchase agreement with an arm's length vendor (the "Vendor") to acquire a 100% interest in certain mineral claims in the Clayton Valley in Nevada, U.S.A. In consideration, the Company was to issue 1,200,000 common shares to the Vendor.

On October 7, 2015, the Company amended the purchase agreement with the Vendor at no additional cost or share issuance, to acquire a 100% interest in additional mineral claims.

On October 21, 2015, the Company further amended the purchase agreement and the amendment dated October 7, 2015 with the Vender. The new terms are for the Company to issue 900,000 common shares to the Vendor. During the year ended July 31, 2016, these shares were issued to the Vendor valued at $30,000.

As of April 30, 2019, the Company had incurred a total of $7,996 in claim maintenance fees on this prospect.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized in the statement of financial position can be analyzed as follows:

	April 30, 2019	July 31, 2018
Trade payables	$ 22,548	$ 18,654
Accrued liabilities	-	24,500
Total payables	$ 22,548	$ 43,154

All amounts are short-term. The carrying value of trade payables and accrued liabilities is considered a reasonable approximation of fair value.

(Expressed in Canadian Dollars)

10. FLOW-THROUGH SHARE PREMIUM LIABILITY

Balance at July 31, 2017	$	48,508
Liability derecognized due to exploration expenditures renounced to shareholders		(48,508)
Balance at July 31, 2018 and April 30, 2019	$	-

During the year ended July 31, 2018, the Company renounced and incurred the exploration expenditures. Accordingly, the Company derecognized the flow-through share premium liability of $48,508 and recognized it as other income.

11. SHARE CAPITAL AND RESERVES

Authorized: An unlimited number of common shares, without par value

(a) Private placements

Nine months ended April 30, 2019:

The Company did not close any private placements during the nine months ended April 30, 2019.

Nine months ended April 30, 2018:

In August 2017, the Company closed a non-brokered private placement (the "Offering") consisting of 2,619,047 flow-through shares at $0.21 per share for gross proceeds of $550,000. The Company incurred filing fees of $4,100 and legal fees of $7,170, paid an aggregate finders' fees of $38,500, and issued 183,333 broker warrants (the "Broker Warrants") in connection with the Offering. Each Broker Warrant is exercisable at $0.21 per share into one common share until August 11, 2020. The Broker Warrants were valued at $37,781, using the Black-Scholes pricing model with the following assumptions: dividend yield 0%, expected volatility 270.8%, risk-free interest rate 1.24% and an expected life of three years.

In December 2017, the Company closed a non-brokered private placement consisting of 2,000,000 units at $0.225 per share for gross proceeds of $450,000. Each unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of the Company at a price of $0.30 per share until December 22, 2019. The Company incurred filing fees of $3,000 in connection with the financing.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND RESERVES (continued)

(b) Share purchase warrants

The following is a summary of changes in share purchase warrants from July 31, 2017 to April 30, 2019:

	Number	Weighted Average Exercise Price
Balance, July 31, 2017	25,477,587	$0.22
Issued	2,183,333	$0.29
Exercised	(9,686,797)	$0.16
Expired	(802,275)	$1.33
Balance, July 31, 2018 and April 30, 2019	17,171,848	$0.20

At April 30, 2019, the Company had 17,171,848 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Number	Exercise Price	Expiry Date
3,711,645	$0.15	August 24, 2019
1,081,620	$0.17	August 24, 2019
5,690,250	$0.33	December 18, 2019
2,000,000	$0.30	December 22, 2019
183,333	$0.21	August 11, 2020
4,505,000	$0.05	June 13, 2021
17,171,848		

(c) Share-based payments

The Company has a stock option plan whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSX). Options vest at the discretion of the Board of Directors and may be granted for a maximum term of five years from the date of grant.

The following is a summary of changes in share purchase options from July 31, 2017 to April 30, 2019:

	Number	Weighted Average Exercise Price
Outstanding and exercisable, July 31, 2017	4,334,125	$0.28
Granted	6,000,000	$0.20
Exercised	(4,000,000)	$0.20
Expired	(4,004,350)	$0.25
Outstanding and exercisable, July 31, 2018	2,329,775	$0.27
Expired	(2,329,775)	$0.27
Outstanding and exercisable, April 30, 2019	-	$Nil

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND RESERVES (continued)

(c) Share-based payments (continued)

At April 30, 2019, there was no share purchase options outstanding and exercisable.

During the nine months ended April 30, 2019, Nil stock options were exercised.

During the nine months ended April 30, 2018, 4,000,000 stock options were exercised at a price of $0.20 per share for total proceeds of $800,000. The previously recognized share-based payment expense relating to these stock options were reclassified from share-based payment reserve to share capital in the amount of $242,788.

During the nine months ended April 30, 2019, the Company did not grant any stock options (nine months ended April 30, 2018, 6,000,000 stock options were granted with an exercise price at $0.20 per share and an expiry date of November 9, 2018). The weighted average fair value of the options issued in the nine months ended April 30, 2018 was estimated at $0.06 per option at the grant date using the Black-Scholes option pricing model with the following assumptions:

	Nine months ended April 30, 2019	Nine months ended April 30, 2018
Weighted average expected dividend yield	N/A	0.0%
Weighted average expected volatility *	N/A	81.05%
Weighted average risk-free interest rate	N/A	1.53%
Weighted average expected term	N/A	1 year

* Expected volatility has been based on historical volatility of the Company's publicly traded shares.

Total expenses arising from share-based payment transactions recognized during the nine months ended April 30, 2019 were $Nil (nine months ended April 30, 2018: $364,182).

12. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

	Nine months ended April 30, 2019	Nine months ended April 30, 2018
Net Loss	$ (525,234)	$ (1,270,569)
Weighted average number of common shares for the purpose of basic and diluted loss per share	78,646,890	69,991,887

(Expressed in Canadian Dollars)

12. LOSS PER SHARE (continued)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants currently issued (see Note 11) were anti-dilutive for the nine months ended April 30, 2019 and 2018.

The loss per share for the nine months ended April 30, 2019 was $0.01 (nine months ended April 30, 2018: $0.02).

13. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Key management of the Company are directors and officers of the Company and their remuneration includes the following:

	Nine months ended April 30, 2019	Nine months ended April 30, 2018
Management fees	$ 92,000	$ 93,500
Professional fees	52,500	46,500
Share-based payments *	-	9,752
	$ 144,500	$ 149,752

* Share-based payments are the fair value of options granted to key management personnel as at the grant date.

Related party balances

At April 30, 2019, accounts payable and accrued liabilities include $397 (July 31, 2018: $7,500) payable to one director for unpaid office expenses. These amounts are unsecured, non-interest bearing and payable on demand.

At April 30, 2019, related party receivables include $Nil (July 31, 2018: $3,512) recoverable office expenses.

(Expressed in Canadian Dollars)

14. SEGMENTAL REPORTING

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

	April 30, 2019	July 31, 2018
Canada	$ 1,264,675	$ 966,066
U.S.A.	751,980	735,031
	$ 2,016,655	$ 1,701,097

15. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows. The following transactions were excluded from the statements of cash flows:

Nine months ended April 30, 2019:

a) Included in accounts payable and accrued liabilities was $10,819 for exploration and evaluation assets.

Nine months ended April 30, 2018:

b) Included in accounts payable and accrued liabilities was $7,471 for exploration and evaluation assets.

16. COMMITMENT

During the year ended July 31, 2017, the Company entered into a lease agreement (the "Agreement") for office premises for a three-year period beginning August 1, 2017 and ending July 31, 2020. As of April 30, 2019, amounts under the Agreement terms (net of taxes) are as follows:

	Amounts
July 31, 2019	$ 20,920
July 31, 2020	85,227
	$ 106,147