SPEARMINT RESOURCES INC.

CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

January 31, 2017 and 2016

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Spearmint Resources Inc.

We have audited the accompanying consolidated financial statements of Spearmint Resources Inc., which comprise the consolidated statement of financial position as at January 31, 2017, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity (deficiency), and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Spearmint Resources Inc. as at January 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Spearmint Resources Inc.'s ability to continue as a going concern.

Other Matters

The consolidated financial statements of Spearmint Resources Inc. for the year ended January 31, 2016 were audited by another auditor who expressed an unmodified opinion on those statements on May 27, 2016.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

May 30, 2017

SPEARMINT RESOURCES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

ASSETS		January 31, 2017		January 31, 2016
Current assets				
Cash	$	24,747	$	1,376
Receivables - Note 4		7,782		7,546
Prepaid expenses		1,118		433
Total current assets		33,647		9,355
Non-current assets				
Exploration and evaluation assets – Note 5		850,602		76,291
Total assets	$	884,249	$	85,646
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities - Notes 7 and 13	$	326,058	$	265,641
Interest payable – Note 8		822		34
Loans payable – Note 8		90,200		237,950
Total current liabilities		417,080		503,625
SHAREHOLDERS' EQUITY (DEFICIENCY)				
Share capital - Note 9		2,142,742		667,260
Reserves – Note 9		189,564		61,250
Accumulated deficit		(1,865,137)		(1,146,489)
Total shareholders' equity (deficiency)		467,169		(417,979)
Total liabilities and shareholders' equity (deficiency)	$	884,249	$	85,646

Nature and Continuance of Operations – Note 1
Subsequent Events – Note 17

APPROVED BY THE DIRECTORS:

"James Nelson" Director
James Nelson

"Spencer Smyl" Director
Spencer Smyl

The accompanying notes form an integral part of these consolidated financial statements.

SPEARMINT RESOURCES INC.
CONSOLIDATED STATEMENTS OF LOSS & COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Years ended January 31, 2017	2016
Operating expenses		
Consulting fees	$ 225,000	$ 135,000
Directors' fees – Note 13	7,500	7,500
Management fees – Note 13	1,905	-
Office and miscellaneous – Note 13	29,385	31,887
Professional fees	60,531	35,244
Shareholder relations	5,621	2,357
Share-based payments – Notes 9 and 13	128,314	-
Transfer agent and filing fees	21,813	11,210
Travel and promotion	2,500	-
	(482,569)	(223,198)
Interest expense	(788)	(3,617)
Write-off of loan payable	-	20,000
Write-down of intangible assets – Note 6	(124,000)	-
Write-down of exploration and evaluation assets – Note 5	(111,291)	(148,041)
	(236,079)	(131,658)
Net comprehensive loss for the year	$ (718,648)	$ (354,856)
Loss per share – basic and diluted – Note 10	$ (0.01)	$ (0.01)
Weighted average number of shares outstanding – basic and diluted – Note 10	69,646,800	43,389,932

SPEARMINT RESOURCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Years ended January 31, 2017	2016
Operating Activities		
Loss for the year	$ (718,648)	$ (354,856)
Adjustments for non-cash items:		
Share-based payments	128,314	-
Accrued interest on loans payable	788	34
Write-off of loan payable	-	(20,000)
Write-down of intangible assets	124,000	-
Write-down of exploration and evaluation assets	111,291	148,041
Changes in non-cash working capital items:		
Receivables	(236)	(5,871)
Prepaid expenses	(685)	(350)
Accounts payable and accrued liabilities	54,789	186,229
Cash used in operating activities	(300,387)	(46,773)
Investing Activities		
Intangible assets	(4,000)	-
Exploration and evaluation assets	(88,554)	(9,081)
Cash used in investing activities	(92,554)	(9,081)
Financing Activities		
Proceeds from loans issuance	2,500	44,200
Loan repayment	(150,250)	(5,000)
Proceeds from issuance of share capital	566,000	5,000
Share issue costs	(1,938)	-
Cash provided by financing activities	416,312	44,200
Change in cash during the year	23,371	(11,654)
Cash, beginning of the year	1,376	13,030
Cash, end of the year	$ 24,747	$ 1,376

Supplemental Disclosure with Respect to Cash Flows (Note 16)

The accompanying notes form an integral part of these consolidated financial statements.

SPEARMINT RESOURCES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Expressed in Canadian dollars)

	Share Capital				
	No. of shares	**Amount**	**Reserves**	**Accumulated deficit**	**Total**
Balance, January 31, 2015	43,225,000	$ 657,260	$ 61,250	$ (791,633)	$ (73,123)
For exploration and evaluation assets	100,000	5,000	-	-	5,000
Share purchase warrants exercised	250,000	5,000	-	-	5,000
Loss for the year	-	-	-	(354,856)	(354,856)
Balance, January 31, 2016	43,575,000	667,260	61,250	(1,146,489)	(417,979)
Share purchase warrants exercised	16,425,000	328,500	-	-	328,500
For exploration and evaluation assets	22,612,000	791,420	-	-	791,420
For intangible asset	4,000,002	120,000	-	-	120,000
Shares issued for private placement	9,500,000	237,500		-	237,500
Share issue costs	-	(1,938)		-	(1,938)
Stock options issued	-		128,314	-	128,314
Loss for the year	-	-	-	(718,648)	(718,648)
Balance, January 31, 2017	96,112,002	$ 2,142,742	$ 189,564	$ (1,865,137)	$ 467,169

The accompanying notes form an integral part of these consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Spearmint Resources Inc. (the "Company") was incorporated under the Business Corporations Act of British Columbia, Canada on September 23, 2009. The Company is an exploration stage public company and is listed on the TSX Venture Exchange (the "Exchange") under the symbol "SRJ.V". The Company's principal business activities include acquiring and exploring exploration and evaluation assets. At January 31, 2017, the Company had exploration and evaluation assets located in Canada and the United States.

The Company's head office and principal business address is located at 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 consolidated 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 January 31, 2017, the Company had not yet achieved profitable operations, had a working capital deficiency of $383,433 and has an accumulated deficit of $1,865,137 since its inception. The Company expects to incur further losses in the development of its business, all of which cast substantial doubt on the Company's ability to continue as a going concern. The Company will require additional financing in order to conduct its future work programs on 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 consolidated 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 consolidated financial statements.

2. BASIS OF PREPARATION

a) Statement of Compliance

These consolidated 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 issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements were authorized for issue by the Board of Directors on May 30, 2017.

2. BASIS OF PREPARATION (continued)

b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been initially measured at fair value.

The preparation of these consolidated financial statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout these consolidated 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.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, 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:

- Whether or not an impairment has occurred in its exploration and evaluation assets;
- The inputs used in the accounting for share-based payments expense; and
- The inputs used in the accounting for finders' warrants and compensation options in share capital and equity reserves.

Critical accounting judgments

An example of significant judgments, apart from those involving estimation, include:
- Classification of financial instruments.

c) Basis of Consolidation

These consolidated 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.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

d) 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 January 31, 2017 are as follows:

Name of subsidiary	Place of Incorporation	Ownership Interest January 31 2017	Ownership Interest January 31, 2016
Indefinitely Lithium Holdings Corp.	Canada	100%	N/A
1074942 B.C. Ltd.	Canada	100%	N/A
Mathers Lithium Corp.	U.S.A.	100%	N/A

e) Functional Currency

The functional currency of the Company (and its subsidiary) is the Canadian dollar as this is the principal currency of the economic environment in which they operate. The Canadian dollar is also the Company's presentation currency. Transactions in foreign currencies are initially recorded in the Company's functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined.

All gains and losses on translation of these foreign currency transactions are included in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

a) Financial instruments

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

Financial assets at fair value through profit or loss ("FVTPL")

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's risk management strategy. Attributable transaction costs are recognized in profit or loss when incurred. FVTPL are measured at fair value, and changes are recognized in profit or loss.

Held-to-maturity ("HTM")

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the asset is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted on an active market. Such assets are initially recognized at fair value plus any direct attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Available-for-sale ("AFS")

Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in profit or loss.

The Company classified its financial assets as follows:

-Cash is classified as FVTPL; and
-Receivables are classified as loans and receivables.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

Impairment of financial assets

Financial assets, other than those at FVTPL, 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 asset, the estimated future cash flows of the investments have been impacted.

Financial liabilities

Financial liabilities are classified into one of two categories:

Fair value though profit or loss

This category comprises derivatives, or liabilities, acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities

This category includes amounts due to related parties and accounts payable and accrued liabilities and long-term debt, all of which are recognized at amortized cost.

The Company classified its accounts payable and accrued liabilities, interest payable and loans payable as other financial liabilities.

b) Exploration and evaluation assets

Pre-exploration costs

Costs incurred prior to acquiring the right to explore an area of interest are expensed as incurred.

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, and payments made to contractors during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Exploration and evaluation assets (continued)

Exploration and evaluation expenditures (continued)

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statements of comprehensive loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

c) Impairment of tangible and intangible assets

Tangible and intangible assets with finite useful lives are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the assets' cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is charged to profit or loss except to the extent it reverses gains previously recognized in other comprehensive loss/income. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior periods. A reversal of an impairment loss is recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Rehabilitation provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

The Company does not have any significant rehabilitation obligations.

e) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Income taxes (continued)

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. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

f) Share capital

The Company's common shares, share purchase warrants and options are classified as equity instruments. Incremental costs directly related to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. For equity offerings of units consisting of a common share and warrants, when both instruments are classified as equity, the Company does not bifurcate the proceeds between the common share and the other equity instrument.

g) Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment, using the Black-Scholes option pricing model.

h) Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as a warrant reserve.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Investment tax credit

Investment tax credits are recorded as either a reduction of the cost of applicable assets or credited in the statement of loss and comprehensive loss depending on the nature of the expenditures which gave rise to the credits. Claims for tax credits are accrued upon the Company attaining reasonable assurance of collections from the Canada Revenue Agency.

j) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net income or loss attributable to the common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted earnings (loss) per share is calculated by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

k) 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 and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* which reflects all phases of the financial instruments project and replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The adoption of IFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but no impact on the classification and measurement of the Company's financial liabilities.

Revenue Recognition

IFRS 15 - Revenue from Contracts and Customers ("IFRS 15"), was issued by the IASB on May 28, 2014, and will replace IAS 18, Revenue, IAS 11, Construction Contracts, and related interpretations on revenue. IFRS 15 sets out the requirements for recognizing revenue that apply to all contracts with customers, except for contracts that are within the scope of the Standards on leases, insurance contracts and financial instruments. IFRS 15 uses a control based approach to recognize revenue which is a change from the risk and reward approach under the current

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Accounting standards issued but not yet effective (continued)

standard. Companies can elect to use either a full or modified retrospective approach when adopting this standard and it is effective for annual years beginning on or after January 1, 2018. The Company is currently evaluating the impact of IFRS 15 on its consolidated financial statements.

Leases

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 consolidated financial statements.

4. RECEIVABLES

The Company’s receivables consist solely of goods and services tax (“GST”) receivable due from Canadian government taxation authorities.

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)

5. EXPLORATION AND EVALUATION ASSETS

	BC Otter Property	Quebec Whabouchi Lakes Lithium Property	Quebec Whabouchi Lakes West Lithium Property	Quebec Preissac Lithium Property	Nevada Elon and McGee Lithium Properties	Total
Balance, January 31, 2015	$ 210,251	$ -	$ -	$ -	$ -	$ 210,251
Acquisition costs						
Common shares	5,000	-	-	-	-	5,000
Deferred exploration expenditures						
Assay	1,485	-	-	-	-	1,485
Geological expenses	6,350	-	-	-	-	6,350
Travel, accommodation and miscellaneous	1,246	-	-	-	-	1,246
Write-down of exploration and evaluation assets	(148,041)	-	-	-	-	(148,041)
Balance, January 31, 2016	$ 76,291	$ -	$ -	$ -	$ -	$ 76,291
Acquisition costs						
Cash	-	-	-	10,000	20,000	30,000
Common shares	35,000	-	-	280,000	444,500	759,500
Filing fees	-			2,500	3,903	6,403
Finder's fees	-	-	-	-	31,920	31,920
Staking costs	-	1,068	1,193	-	-	2,261
Deferred exploration expenditures						
Assay	-	-	-	-	4,132	4,132
Claim maintenance fees	-	-	-	-	12,453	12,453
Geological expenses	-	-	-	6,200	19,881	26,081
Travel, accommodation and misc	-	-	-	5,105	7,747	12,852
Write-down of exploration and evaluation assets	(111,291)	-	-	-	-	(111,291)
Balance, January 31, 2017	$ -	$ 1,068	$ 1,193	$ 303,805	$ 544,536	$ 850,602

5. EXPLORATION AND EVALUATION ASSETS (continued)

Otter Property, British Columbia - Option Agreement

On October 11, 2011, the Company entered into an option agreement (the "Agreement") with an arm's length party (the "Vendor") whereby the Company was granted an option to acquire a 100% interest in and to twelve mineral claims known as the Otter Property (the "Otter Property") located in the Similkameen Mining Division in the Princeton Area of British Columbia. The Company was required to pay $40,000 in cash (paid), incur exploration costs of $1,916,000 ($125,246 incurred) and issue 4,350,000 common shares (3,350,000 common shares issued at a value of $102,500) in set payments on or before February 3, 2019.

During the year ended January 31, 2013, the Company paid a finders' fee of $6,000 in connection with this transaction.

During the year ended January 31, 2016, the Company decided not to continue with certain mineral claims and allowed them to lapse when they became due. Prior acquisition costs of $78,061 and exploration costs of $69,980 associated with these claims were written off.

During the year ended January 31, 2017, the Company decided to drop this property and fully wrote off prior acquisition and exploration costs in the amount of $111,291.

Whabouchi Lakes Lithium Property, Quebec - Staking

In March 2016, the Company acquired the Whabouchi Lakes Lithium Property, located in the James Bay area of the province of Quebec, for staking costs of $1,068.

Whabouchi Lakes West Lithium Property, Quebec - Staking

In April 2016, the Company acquired the Whabouchi Lakes West Lithium Property, located in the James Bay area of the province of Quebec, for staking costs of $1,193.

Preissac Lithium Property, Quebec - Purchase Agreement

On May 17, 2016, the Company entered into a share purchase agreement (the "Agreement") with four arm's length vendors (the "Vendors") to purchase 100% of the issued and outstanding common shares of Indefinitely Lithium Holdings Corp., which holds a 100% interest in the Preissac Lithium Property in Quebec. The acquisition has been accounted for as an asset acquisition. In consideration for the net assets acquired, the Company paid $10,000 in cash and issued 8,000,000 common shares at a value of $280,000 to the Vendors pursuant to the Agreement. The Company also paid $2,500 in filing fees in connection with this transaction. Indefinitely Lithium Holdings Corp. became a wholly-owned subsidiary of the Company.

As at January 31, 2017, the Company had incurred a total of $11,305 in exploration costs on this property.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Elon and McGee Properties, Nevada - Purchase Agreement

On July 12, 2016, the Company entered into a share purchase agreement (the "Agreement") with five arm's length vendors (the "Vendors") to purchase 100% of the issued and outstanding common shares of 1074942 B.C. Ltd., which through its wholly-owned subsidiary Mathers Lithium Corp. (a Nevada corporation) holds a 100% interest in certain lithium mineral claims in Nevada. The acquisition has been accounted for as an asset acquisition. In consideration for the net assets acquired, the Company issued 12,700,000 common shares at a value of $444,500 to the Vendors pursuant to the Agreement. 1074942 B.C. Ltd. became a wholly-owned subsidiary of the Company.

The Company issued 912,000 common shares at a value of $31,920 as a finder's fee, and paid $20,000 for land acquisition and $3,903 in filing fees in connection with this transaction.

As at January 31, 2017, the Company had incurred a total of $44,213 in exploration costs on this property.

6. AIRSHARE ACQUISITION

On November 25, 2015, the Company entered into an Asset Purchase Agreement with three arm's length parties (the "Vendors") whereby the Company agreed to acquire all of the assets related to or used in connection with a software application concept known as "Airshare" from the Vendors in exchange for 4,000,002 common shares of the Company. The assets to be acquired consist of various intellectual property assets related to the concept, including code, branding and domain names.

In March 2016, the Company issued 4,000,002 common shares per the Agreement which was valued at $120,000.

During the year ended January 31, 2017, the Company decided not to proceed with software application concept and fully wrote off the total acquisition costs of $124,000.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized in the statements of financial position consist of the following:

	January 31, 2017	January 31, 2016
Trade payables	$ 308,858	$ 253,341
Accrued liabilities	17,200	12,300
Total payables	$ 326,058	$ 265,641

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

8. LOANS PAYABLE

In November 2014, the Company entered into agreements (the "Agreements") with four arm's length parties (the "Lenders"). Pursuant to the terms of the Agreements, the Lenders agreed to convert a total of $183,750 in trades payable into loans payable, bearing no interest and are payable upon demand. During the year ended January 31, 2016, the Company repaid $5,000 to one Lender. During the year ended January 31, 2017, the Company repaid $88,550 to the Lenders.

In December 2014, the Company received loans from three arm's length lenders for a total of $15,000, bearing no interest and due upon demand. During the year ended January 31, 2017, the Company fully repaid these loans.

During the year ended January 31, 2016, the Company received loans from six arm's length lenders for a total of $34,000, bearing no interest and due upon demand. During the year ended January 31, 2017, the Company fully repaid these loans.

During the year ended January 31, 2016, the Company received loans from five arm's length lenders for a total of $10,200, bearing interest at 10% per annum and due upon demand. During the year ended January 31, 2017, the Company fully repaid these loans.

In March 2016, the Company received a loan from one arm's length lender in the amount of $2,500, bearing interest at 10% per annum and due upon demand. During the year ended January 31, 2017, the Company fully repaid this loan.

As at January 31, 2017, $90,200 (January 31, 2016: $237,950) of principal and $822 (January 31, 2016: $34) of interest is outstanding.

9. SHARE CAPITAL AND RESERVES

Authorized: Unlimited common shares, without par value

Private placement

Year ended January 31, 2017

In September 2016, the Company closed a non-brokered private placement of 9,500,000 units at $0.025 per unit for gross proceeds of $237,500. Each unit consists of one common share and one transferable share purchase warrant exercisable at $0.05 per share until September 21, 2021. The Company incurred filing fees of $1,938 in connection with the financing.

Year ended January 31, 2016

During the year ended January 31, 2016, the Company did not close any private placements.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (continued)

Share purchase warrants

The following is a summary of changes in share purchase warrants from January 31, 2015 to January 31, 2017:

	Number of Warrants	Weighted Average Exercise Price
Balance, January 31, 2015	19,025,000	$0.02
Exercised	(250,000)	$0.02
Balance, January 31, 2016	18,775,000	$0.02
Issued	9,500,000	$0.05
Exercised	(16,425,000)	$0.02
Balance, January 31, 2017	11,850,000	$0.04

As of January 31, 2017, the Company had 11,850,000 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Outstanding	Exercise Price	Expiry Date	
2,350,000	$0.02	February 3, 2017	(Note 17)
9,500,000	$0.05	September 21, 2021	
11,850,000			

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 maximum number of common shares reserved for issue to any one person under the plan cannot exceed 5% of the issued and outstanding number of common shares at the date of grant and the maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the issued and outstanding number of common shares 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 may be granted for a maximum term of ten years from the date of grant.

The following is a summary of changes in share purchase options from January 31, 2015 to January 31, 2017:

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (continued)

Share-based payments (continued)

	Number of Options	Weighted Average Exercise Price
Balance, January 31, 2015	3,775,000	$0.05
Expired	(1,600,000)	$0.05
Balance, January 31, 2016	2,175,000	$0.05
Granted	3,700,000	$0.05
Forfeited	(600,000)	$0.05
Balance, January 31, 2017	5,275,000	$0.05

As of January 31, 2017, 5,275,000 share purchase options were outstanding and exercisable entitling the holders thereof the right to purchase one common share of the Company for each option held as follows:

Number	Exercise Price	Expiry Date
1,925,000	$0.05	October 8, 2018
50,000	$0.05	June 4, 2019
2,600,000	$0.05	May 24, 2021
700,000	$0.05	May 30, 2021
5,275,000		

During the year ended January 31, 2017, the Company granted 3,700,000 stock options with an exercise price of $0.05 per share and expiry dates ranging from May 24, 2021 to May 30, 2021 (year ended January 31, 2016: Nil stock options were granted). The weighted average fair value of the options issued in the year ended January 31, 2017 was estimated at $0.03 per option at the grant date using the Black-Scholes option pricing model with the following assumptions:

	Year ended January 31, 2017	2016
Weighted average expected dividend yield	0.00%	N/A
Weighted average expected volatility*	159.64%	N/A
Weighted average risk-free interest rate	0.77%	N/A
Weighted average expected term	5 years	N/A

* 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 year ended January 31, 2017 were $128,314 (year ended January 31, 2016: $Nil).

(Expressed in Canadian Dollars)

10. LOSS PER SHARE

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

	Year ended January 31, 2017	2016
Net Loss	$ (718,648)	$ (354,856)
Weighted average number of common shares for the purpose of basic and diluted loss per share	69,646,800	43,389,932

The basic loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the year. 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 9) were anti-dilutive for the years ended January 31, 2017 and 2016.

The loss per share for the year ended January 31, 2017 was $0.01 (year ended January 31, 2016: $0.01).

11. FINANCIAL INSTRUMENTS AND RISK

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

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

The fair value of the Company’s receivables, accounts payable and accrued liabilities, interest payable and loans payable approximates their carrying values due to the short term nature of the financial instruments. The Company’s cash is measured at fair value using Level 1 inputs.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. As at January 31, 2017, the Company has a minimal exposure to the US$ that is subject to fluctuations as a result of exchange rate variations to the extent that transactions are made in this currency. The Company considers this risk to be insignificant and therefore does not hedge its foreign exchange risk.

11. FINANCIAL INSTRUMENTS AND RISK (continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at January 31, 2017 the Company is not exposed to any significant credit risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Included in the loss for the year in the financial statements is interest income on Canadian dollar cash. As at January 31, 2017, the Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Company addresses its liquidity through equity financing obtained through the sale of common shares. 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.

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 the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected by foreign exchange risk, credit risk, interest rate risk and price risk.

12. CAPITAL DISCLOSURE

Capital is comprised of the Company's shareholders' equity (deficiency). As at January 31, 2017, the Company's shareholders' equity was $467,169 (January 31, 2016: deficiency of $417,979) and it had current liabilities of $417,080 (January 31, 2016: $503,625). The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk.

(Expressed in Canadian Dollars)

12. CAPITAL DISCLOSURE (continued)

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt and acquire or dispose of assets. As at January 31, 2017, the Company has not entered into any debt financing with any financial institution.

The Company is dependent on the 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 and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. The Company is not subject to any externally imposed capital requirements. There has been no change in the Company's approach to capital management during the year ended January 31, 2017.

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:

	Year ended January 31, 2017	2016
Directors' fees	$ 7,500	$ 7,500
Management fees	1,905	-
Professional fees	-	500
Share-based payments*	41,228	-
	$ 50,633	$ 8,000

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

Related party balances

At January 31, 2017, accounts payable and accrued liabilities includes $116,179 (January 31, 2016: $75,697) payable to three directors, an officer of the Company and to three public companies with common directors for unpaid fees. These amounts are unsecured, non-interest bearing and payable on demand.

During year ended January 31, 2017, office and miscellaneous expenses included $Nil (2016: $9,000), which was for reimbursement of accounting overhead to a public company with two common directors and a common officer.

During the year ended January 31, 2017, the Company reimbursed a public company with a common director and an officer in the amount of $16,162 (year ended January 31, 2016: $17,432) for the services provided by the Chief Financial Officer.

(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 equipment is located in Canada and its exploration and evaluation assets are distributed by geographic locations as below:

		January 31, 2017		January 31, 2016
Total Non- Current Assets				
Canada	$	306,066	$	76,291
U.S.A.		544,536		-
	$	850,602	$	76,291

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2017		**2016**
Loss for the year	$	(718,648)	$	(354,856)
Expected income tax (recovery)		(187,000)		(56,000)
Change in statutory rates and other		4,000		-
Permanent differences		33,000		(31,000)
Adjustments to prior year provision versus statutory tax returns		(120,000)		-
Change in unrecognized deductible temporary differences		270,000		87,000
Total income tax expense	$	-	$	-

The significant components of the Company's unrecognized deferred tax assets are as follows:

		2017		2016
Deferred Tax Assets				
Exploration and evaluation assets	$	67,000	$	5,000
Share issue costs		1,000		1,000
Non-capital losses		439,000		231,000
Net Unrecognized Deferred Tax Assets	$	507,000	$	237,000

No net deferred tax asset has been recognized in respect of the above for the years ended January 31, 2017 and 2016 because the amount of future taxable profit that will be available to realize such assets is not probable.

The Company has non-capital losses for Canadian income tax purposes of approximately $1,686,000, which may be carried forward and applied against taxable income in future years. These losses, if not utilized, will expire through to 2037.

16. 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.

During the year ended January 31, 2017:

i. The Company issued 1,000,000 common shares valued at $35,000 pursuant to the Otter Property option agreement.

ii. The Company issued 4,000,002 common shares valued at $120,000 pursuant to the Airshare Asset Purchase Agreement.

iii. The Company issued 8,000,000 common shares valued at $280,000 pursuant to the Indefinitely Lithium Holdings Corp. share purchase agreement.

iv. The Company issued 12,700,000 common shares valued at $444,500 pursuant to the 1074942 B.C. Ltd. share purchase agreement.

v. The Company issued 912,000 common shares valued at $31,920 as a finder's fee for the acquisition of 1074942 B.C. Ltd.

vi. The Company accrued exploration and evaluation assets of $5,628 in accounts payable and accrued liabilities.

During the year ended January 31, 2016:

i. The Company issued 100,000 common shares valued at $5,000 pursuant to the Otter Property option agreement.

17. SUBSEQUENT EVENTS

Subsequent to January 31, 2017, the following occurred:

a) The Company issued 2,350,000 common shares for share purchase warrants exercised at $0.02 per share.

b) The Company granted 500,000 stock options to a director and a consultant at an exercise price of $0.05 per share expiring March 3, 2022.

c) In April 2017, the Company acquired a 100% interest in certain mineral claims (the "BC Gold Mountain Claims") near the town of Wells, British Columbia for staking costs of $1,382.