



INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

SEPTEMBER 30, 2017

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the 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 interim financial statements of Explorex Resources Inc. for the period ended September 30, 2017 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Explorex Resources Inc.
Interim Statements of Financial Position
(Expressed in Canadian Dollar)
(Unaudited)

	September 30, 2017	March 31, 2017
ASSETS		
Current		
Cash	\$ 49,658	\$ 22,029
GST Receivable	8,785	6,462
	58,443	28,491
Non-current assets		
Exploration and evaluation assets (Note 4)	244,715	128,715
	\$ 303,158	\$ 157,206
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 8)	\$ 274,877	\$ 53,625
Shareholders' equity		
Share capital (Note 5)	1,796,552	1,655,552
Share Subscriptions Received (Note 9)	71,250	-
Share-based payment reserve (Note 5)	80,111	102,539
Deficit	(1,919,632)	(1,654,510)
	28,281	103,581
	\$ 303,158	\$ 157,206

Nature and continuance of operations (Note 1)
Subsequent events (Note 9)

Approved and authorized by the Board on November 23, 2017

Approved on Behalf of the Board:

“William E.A Wishart”

William E.A. Wishart, Director

“Gary Schellenberg”

Gary Schellenberg, Director

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

Explorex Resources Inc.

Interim Statements of Operations and Comprehensive Loss

(Expressed in Canadian Dollar)

(Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2017	2016	2017	2016
EXPENSES				
Advertising and promotion	\$ 6,000	\$ 13,775	\$ 12,000	\$ 13,775
Consulting (Note 8)	119,287	12,000	170,994	27,000
General office	9,096	19,969	16,034	26,877
Management fees (Note 8)	22,500	19,500	45,000	37,500
Professional fees (Note 8)	11,741	6,597	18,793	15,711
Rent (Note 8)	5,850	5,900	11,700	11,300
Stock-Based Compensation	-	41,744	-	49,423
Transfer agent and filing fees	5,190	5,377	10,807	8,455
Travel	1,080	1,316	2,222	1,316
Loss before other items	(180,744)	(126,178)	(287,550)	(191,357)
Gain on forgiveness of debt	-	5,965	-	5,965
Loss and comprehensive loss for the period	\$ (180,744)	\$ (120,213)	\$ (287,550)	\$ (185,392)
Basic and diluted loss per common share	\$ (0.02)	\$ (0.02)	\$ (0.03)	\$ (0.04)
Weighted average number of common shares outstanding	9,941,793	5,582,400	9,336,313	4,830,437

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

Explorex Resources Inc.

Interim Statements of Cash Flows

(Expressed in Canadian Dollar)

(Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2017	2016	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
OPERATING ACTIVITIES				
Loss for the period	\$ (180,744)	\$ (120,213)	\$ (287,550)	\$ (185,392)
Non-cash items				
Gain on forgiveness of debt	-	5,965	-	5,965
Share-based compensation	-	41,744	-	49,423
Change in non-cash working capital accounts				
GST receivables	1,675	2,285	(2,323)	1,697
Prepaid expense	-	-	-	-
Advance for exploration	17,500	(20,000)	-	(20,000)
Accounts payable and accrued liabilities	161,359	(91,173)	221,252	(35,912)
Cash used in operating activities	(210)	(181,392)	(68,621)	(184,129)
CASH FLOWS FROM FINANCING ACTIVITY				
Share issued for cash	36,000	446,750	141,000	446,750
Share Subscriptions Received	71,250	(97,500)	71,250	-
Cash provided by financing activity	107,250	349,250	212,250	446,750
CASH FLOWS FROM INVESTING ACTIVITY				
Exploration and evaluation assets	(78,000)	(23,159)	(116,000)	(43,159)
Cash used in investing activity	(78,000)	(23,159)	(116,000)	(43,159)
Change in cash for the period	29,040	144,699	27,629	219,372
Cash, beginning of the period	20,618	76,753	22,029	2,080
Cash, end of the period	\$ 49,658	\$ 212,452	\$ 49,658	\$ 212,452
Supplemental cash flow information:				
Shares Issued for Mineral Properties	\$ 84,000	\$ -	\$ 84,000	\$ -

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

Explorex Resources Inc.

Statements of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian Dollar)

(Unaudited)

	Number of Shares	Share Capital \$	Subscription Received \$	Shared-Based Payment Reserve \$	Deficit \$	Total Shareholders' Equity \$
Balance, March 31, 2015	4,580,697	1,208,802	-	55,337	(1,327,129)	(62,990)
Share issued for cash	4,620,000	462,000				462,000
Share issuance costs	-	(15,250)				(15,250)
Share-based compensation	-	-	-	49,423	-	49,423
Net income for the period	-	-	-	-	(185,392)	(185,392)
Balance, September 30, 2016	9,200,697	1,655,552	-	104,760	(1,512,521)	247,791
Balance, March 31, 2017	9,200,697	1,655,552	-	102,539	(1,654,510)	103,581
Exercise of Stock Options	400,000	57,000	-	-	-	57,000
Fair Value of Stock Options Exercised	-	-	-	(22,428)	22,428	-
Share Subscription Received			71,250			71,250
Shares Issued for Exploration and Evaluation Assets	500,000	84,000				84,000
Net income for the period	-	-	-	-	(287,550)	(287,550)
Balance, September 30, 2017	10,100,697	1,796,552	71,250	80,111	(1,919,632)	28,281

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

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Explorex Resources Inc. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on January 6, 2011. The head office of the Company is located at 214 – 1118 Homer Street, Vancouver, British Columbia, V6B 6L5. The registered office of the Company is located at Suite 1780-400 Burrard Street, Vancouver, British Columbia, V6C 3A6. The Company does not have any subsidiaries.

These financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going-concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in the financial statements.

The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve future profitable operations. As at September 30, 2017, the Company had working capital deficiency of \$216,434, had not yet achieved profitable operations and has an accumulated deficit of \$1,919,632 since its inception. The Company expects to incur further losses in the development of its business, all of which cast significant doubt on the Company’s ability to continue as a going concern. The Company will require additional financing in order to explore new business opportunities, 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.

2. BASIS OF PRESENTATION

Basis of presentation

The interim financial statements have been prepared in accordance to IAS 34 *Interim Financial Reporting* using accounting policies consistent with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The interim financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow disclosure. These interim financial statements do not include all the information required for full annual financial statements. The interim financial statements should be read in conjunction with the Company’s annual financial statements for the period ended March 31, 2017. The accounting policies, methods of computation and presentation applied in these financial statements are consistent with those of the previous financial year.

These financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES

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 financial statements.

IFRS 9 – Financial Instruments (“IFRS 9”)

In July 2004, the IASB issued the final version of IFRS 9 which replaces 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 is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted.

4. EXPLORATION AND EVALUATION ASSETS

	Silver Dollar Property	Arlington Property	Beatrice Property	Chrysler Project	Total
Balance, March 31, 2017	\$ -	\$ 35,935	\$ -	\$ -	\$ 35,935
Acquisition Costs	-	-	-	-	-
Addition during the period	48,000	-	12,000	58,500	118,500
	48,000	35,935	12,000	58,500	154,435
Exploration Costs	100,301	(7,521)	-	-	92,780
Addition during the period	-	-	3,500	4,000	7,500
	100,301	(7,521)	3,500	4,000	100,280
Option payment received	-	(10,000)	-	-	(10,000)
Balance, September 30, 2017	\$ 148,301	\$ 18,414	\$ 15,500	\$ 62,500	\$ 244,715

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Arlington Property, British Columbia

On January 19, 2015, the Company acquired a 100% interest in the Arlington property by staking.

On April 27, 2017, the Company entered into an option agreement with Clarmin Exploration Inc. ("Clarmin"), under which Clarmin may acquire a 100% interest in the Company's Arlington Property, located in south-central British Columbia. Under the agreement, Clarmin can earn a 100% interest by making certain staged payments over a three year period equal to a total of \$105,000 in cash, 500,000 common shares and incurring \$500,000 in exploration expenditures on the property.

Cash and Share Payments:

- \$10,000 on April 27, 2017 (received);
- \$10,000 on the date of listing of Clarmin on a recognized stock exchange;
- \$35,000 and issuing 200,000 common shares on or before April 27, 2019; and
- \$50,000 and issuing 300,000 common shares on or before April 27, 2020.

Exploration Expenditures:

- \$200,000 on or before April 27, 2019; and
- \$300,000 on or before the third April 27, 2020.

The Company will retain a 1.5% NSR on the property which Clarmin may buyback by paying \$1,000,000 to the Company.

Silver Dollar Property, British Columbia

On May 11, 2016, the Company entered into an option agreement with Happy Creek Minerals Ltd. ("Happy Creek") to purchase a 100% interest in Happy Creek's Silver Dollar property.

To earn a 100% interest, the Company is required to make the following payments:

- \$20,000 cash on the earlier of the date that is 5 days following Canadian Securities Exchange approval for closing of the Company's proposed private placement of \$400,000 and June 30, 2016 (paid);
- incur a minimum \$100,000 work commitment by November 11, 2016;
- issue 300,000 common shares of the Company by December 1, 2016
- issue 300,000 common shares of the Company by November 11, 2017; and
- issue 1,000,000 common shares of the Company by May 11, 2018.

On November 23, 2016, the parties amended the terms of the agreement to the following:

- incur a minimum \$100,000 work commitment by May 11, 2017;
- issue 300,000 common shares of the Company by June 9, 2017;
- issue 300,000 common shares of the Company by May 11, 2018; and
- issue 300,000 common shares of the Company by November 11, 2018.

The agreement is subject to a 1% net smelter return royalty ("NSR") payable to Happy Creek.

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Silver Dollar Property, British Columbia (cont'd...)

On April 11, 2017, the Company amended the terms of the option agreement with Happy Creek on the Silver Dollar property as follows:

- incur a minimum \$100,000 work commitment by July 31, 2017 (incurred);
- issue 300,000 common shares of the Company on or before May 11, 2017 (issued);
- issue 300,000 common shares of the Company by July 31, 2018; and
- issue 500,000 common shares of the Company by January 31, 2019.

Beatrice Mineral Property, British Columbia

On August 27, 2017, the Company entered into a purchase and sale agreement with arm's length vendors to acquire 100% of 2 crown grants from private owners. The crown grants are wholly contained within the Silver Dollar Project. Pursuant to the agreement, the vendors agreed to sell and the Company agreed to purchase two mineral tenure claims located in the southern portion of the Silver Dollar Project for a cash payment of \$12,000 (paid).

Chrysler Property, Ontario

On June 6, 2017, the Company entered into a purchase and sale agreement with Jean Marc Gaudreau and Don Thomas Fudge to purchase a 100% in the Mining claims, (the "Chrysler Property"), located in the Larder Lake Mining Division in Ogilvie, Leonard and North William Township, in the Province of Ontario.

To earn a 100% interest, the Company is required to make the following payments:

- \$22,500 cash on the earlier of the date that is 10 days following Canadian Securities Exchange and in any event on or before July 14, 2017 (paid);
- issue 200,000 common shares of the Company on the closing date.(issued)

The agreement is subject to a 2% net smelter return royalty ("NSR") payable to the vendors and a buyback of 1% for \$1 million at any time.

5. SHARE CAPITAL

a) Authorized share capital:

As at September 30, 2017 the authorized share capital of the Company was an unlimited number of common shares without par value. All issued shares are fully paid.

b) Issued share capital:

The following share issuances occurred during the period ended September 30, 2016:

- During the period ended September 30, 2016, the Company completed a non-brokered private placement of 4,620,000 common shares at a price of \$0.10 per share for gross proceeds of \$462,000. Finder's fee of \$15,250 was paid.

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

5. SHARE CAPITAL (cont'd...)

b) Issued share capital (cont'd):

The following share issuances occurred during the period ended September 30, 2017:

- In May 2017, the Company issued 300,000 common shares pursuant to an option agreement for the Silver Dollar Property (Note 4). The fair value recognized of \$48,000 was based on the closing quoted market price of the Company's shares on May 8, 2017.
- In July 2017, the Company issued 200,000 common shares pursuant to a purchase and sale agreement for the Chrysler Property (Note 4). The fair value recognized of \$36,000 was based on the closing quoted market price of the Company's shares on July 17, 2017.
- During the period ended September 30, 2017, the Company issued 400,000 common shares upon the exercise of stock options. Cash proceeds received totaled \$57,000.

Stock Option Plan

The Company has a stock option plan under which it can grant options to directors, officers, employees, and consultants for up to 10% of the issued and outstanding common shares. The exercise price of each option is based on the market price of the Company's stock at the date of grant. The options can be granted for a term of ten years and vest as determined by the board of directors.

As at September 30, 2017, the following stock options were outstanding:

	Number of Stock Options	Weighted Average Exercise Price
Balance, March 31, 2017	800,000	\$0.14
Exercised	(400,000)	\$0.13
Balance, September 30, 2017	400,000	\$0.13

A summary of the Company's stock options outstanding and exercisable as at September 30, 2017 is as follows:

Expiry Date	Number of Stock Options	Exercise Price	Number of Stock Options Exercisable
September 29, 2021	400,000	\$0.13	400,000
	400,000		400,000

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

5. SHARE CAPITAL (cont'd...)

Share Purchase Warrants

As at September 30, 2017, the following share purchase warrants were outstanding:

	Number of Warrants	Weighted Average Exercise Price	Expiry Date
Balance, March 31, 2017 and September 30, 2017	933,333	\$0.169	July 25, 2019

6. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity (deficiency). As at September 30, 2017, the Company's shareholders' equity was \$28,281. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

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 period ended September 30, 2017.

7. 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;

Level 3 – Inputs that are not based on observable market data.

The fair value of cash is based on level 1 inputs of the fair value hierarchy.

The fair value of the Company's receivables and accounts payable and accrued liabilities approximates their carrying values due to the short-term nature.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

7. FINANCIAL INSTRUMENTS AND RISK (cont'd...)

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2017, the Company had a cash balance of \$49,658 to settle current liabilities of \$274,877.

Market risk

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

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The interest rate risk on cash is not considered significant.

(b) Foreign currency risk

The Company does not have assets or liabilities in a foreign currency.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, and the stock market to determine the appropriate course of action to be taken by the Company.

8. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the period ended September 30, 2017, the Company entered into the following transactions with related parties:

- Paid or accrued exploration costs of \$7,500 (2016 - \$43,159) that were capitalized as exploration and evaluation assets to a company controlled by a director and Chief Executive Officer of the Company.
- Paid or accrued consulting fees of \$7,500 (2016 - \$15,000) to a company controlled by a director and Chief Executive Officer of the Company.

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

8. RELATED PARTY TRANSACTIONS (cont'd...)

- Paid or accrued consulting fees of \$60,000 (2016 - \$Nil) to a director of the Company.
- Paid or accrued rent of \$11,700 (2016 - \$11,300) and management fees of \$45,000 (2016 - \$37,500) to a company controlled by a director and Chairman of the Board of the Company.
- Paid or accrued professional fees of \$4,500 (2016 - \$1,000) to the current Chief Financial Officer of the Company.

Accounts payable to related parties are as follows:

	2017	2016
An entity controlled by a director and Chairman of the Board	\$ 41,423	\$ 5,568
An entity controlled by a director and Chief Executive Officer	9,200	-
To a director and VP Corporate Development	52,500	-
	<u>\$ 103,123</u>	<u>\$ 5,568</u>

Commitments – Consulting agreements

On September 1, 2016 the Company renewed the terms of a consulting agreement with a director of the Company for the provision of consulting services at an annual cost of \$90,000. The agreement is for a term of five years. If the Company terminates the agreement without cause during the term the Company is required to pay the balance of the monthly fee payments due for the remainder of the term. Furthermore, should the Company be subject to a change in control and the consultant terminated without cause, the Company must pay an amount equal to twenty-six months of fees and an additional two months of fees for each additional full year of management completed after the first year of engagement, up to a combined maximum of forty-eight months of management fees.

9. SUBSEQUENT EVENTS

Private Placement

On October 27, 2017, the Company completed a non-brokered private placement and issued 859,000 flow-through units (the “FT-UNITS”) at a price of \$0.25 per unit for a gross proceeds of \$241,750 and 4,807,500 non-flow-through units (the “NFT-UNITS”) at a price of \$0.20 per unit for a gross proceeds of \$961,500. Each FT-Unit will consist of one flow-through common share and one-half of a share purchase warrant. Each NFT-Unit will consist of one common share and one-half of a share purchase warrant. Each FT and NFT warrant is exercisable for one additional common share at a price of \$0.30 per share until October 27, 2018. The warrants are subject to a 10-day accelerated expiry provision if the VWAP of the Company’s share exceed \$0.35 for 10 consecutive trading days. The Company paid \$8,050 cash commissions and issued 25,000 agent’s warrants

As at September 30, 2017, the Company received \$31,250 FT and \$40,000 NFT for a total of \$71,250 in share subscriptions.

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

9. SUBSEQUENT EVENTS (cont'd...)

Mineral Property- Cobalt-Paragon Property, Ontario

On October 31, 2017, the Company entered into an option agreement with Canadian Gold Miner to acquire a 100% interest certain mining claims, (the "Cobalt-Paragon"), located in the Larder Lake Mining Division in Tudhope Township, in the Province of Ontario. Pursuant to the option payments, the Company is required to make cash payments, issue shares, and meet exploration expenditure requirement as follows:

Cash Payments

• 10 business days on execution of the agreement (October 30, 2017) (paid)	\$ 10,000
• On or before April 30, 2018	25,000
• On or before October 30, 2018	20,000
• On or before October 30, 2019	30,000
• On or before October 30, 2020	40,000
	<hr/>
	\$ 125,000

Share Issuances

• Upon approval of the Exchange (November 1, 2017) (Issued)	200,000
• On or before November 1, 2018	300,000
• On or before November 1, 2019	300,000
• On or before November, 2020	900,000
	<hr/>
	1,700,000

Exploration Expenditures

• On or before October 30, 2018	\$ 225,000
• On or before October 30, 2019	450,000
• On or before October 30, 2020	600,000
	<hr/>
	\$ 1,275,000

Upon earning a 100% interest, Explorex will grant a 1% NSR and retain first right of refusal to buyback the NSR. Explorex will commit to meeting all obligations of the underlying commitments.

Explorex Resources Inc.

Notes to the Interim Financial Statements

For the Six Months Ended September 30, 2017

(Expressed in Canadian Dollar)

(Unaudited)

9. SUBSEQUENT EVENTS (cont'd...)

Letter of Intent

On October 4, 2017, the Company announced that it entered into a letter of Letter of Intent (“LOI”) with Ganfeng Lithium Co. Ltd. (“Ganfeng”) for a \$1 million strategic investment in the Company. The Ganfeng Investment will consist of an initial investment of \$0.5 million (“Initial Investment”) and a commitment to invest an additional \$0.5 million in a subsequent Company Financing, within two years from the execution of the Initial Investment, in accordance with market conditions.

The LOI provides Ganfeng with (i) the right to an Off-Take Agreement on all potential production of cobalt, limestone and lithium; (ii) a Right of First Offer on the joint venture or sale of all cobalt, limestone, and lithium properties that Explorex now has or acquires in the future; and (iii) the right to nominate one member to the Company Board of Directors (“Purchasers Rights”). These Purchaser Rights will be maintained as long as Ganfeng maintains a minimum 15% equity interest in the issued and outstanding shares of Explorex.

Stock Option

On November 2, 2017, the Company granted 1.11M stock options at an exercise price of \$0.25. The options expire on November 2, 2022.