Northern Lights Resources Corporation

Form 2A
LISTING STATEMENT

Dated: October 22, 2018

1. TABLE OF CONTENTS

Glossary of Terms

The following is a glossary of certain terms used in this Listing Statement and in certain documents attached as schedules hereto.

"**Auditors**" means Davidson & Company LLP, the auditors of the Company.

"**Author**" means Robert A Lunceford CPG, M.Sc, the author of the Technical Report.

"**BCBCA**" means the *Business Corporations Act* (British Columbia) including the regulations thereunder, as amended.

"**Board**" means the board of directors of the Company, as it may be comprised from time to time.

"**Business Day**" means a day that is not a Saturday, Sunday or any other day on which the principal chartered banks are closed in Canada.

"**Cease Trade Orders**" mean those cease trade orders issued against the Company: (i) by the British Columbia Securities Commission dated September 10, 2013; (ii) by the Ontario Securities Commission dated September 24, 2013; and (iii) by the Alberta Securities Commission dated December 10, 2014, all of which were revoked November 9, 2017.

"**CEO**" means an individual who acted as the chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

"**CFO**" means an individual who acted as the chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

"**Common Shares**" or "**Shares**" means common shares without par value in the capital of the Company.

"**Company**" or "**Issuer**" means Northern Lights Resources Corp.

"**Consolidation"** means the consolidation of the Company's outstanding share capital on a 1.75 old shares for one new Share basis which occurred December 28, 2017.

"**CSE**" means the Canadian Securities Exchange.

"**Debt Holder**" means a person who provided debt financing to the Company in 2017 and 2018.

"**Del Under Property**" means that mineral property held by EMIC LLC, being exploration license #15447x covering 19,917.27 hectares located in north-eastern Mongolia in the territory of Dashbalbar soum in the Dornod Province, being the subject of the Del Under Property Earn-In-Agreement.

"**Del Under Property Earn-In Agreement"** means the earn-in agreement dated June 17, 2017 between EMIC and the Company whereby the Company can earn up to 100% interest in the Del Under Property for aggregate consideration of (i) cash payments of C$500,000, (ii) issuing 11,428,571 Shares, and (iii) incurring exploration expenditures totaling C$2,000,000, all over a four year term.

"**EMIC**" or "**EMIC LLC**" means the company holding title to the Del Under Property.

"**Listing Statement**" means this CSE Form 2A Listing Statement.

"**Medicine Property"** means those 149 unpatented mineral claims totaling 1189 hectares or 2,980 acres located in the Ruby Valley /Medicine Range area of south-eastern Elko County in Nevada USA, being the subject of the Medicine Property Option Agreement.

"**Medicine Property Option Agreement**" means the mineral property option agreement dated August 20, 2017 between the Medicine Property Owners and the Company (as amended September 20, 2018), whereby the Company was granted the option to acquire 100% of the Medicine Property for aggregate consideration of (i) cash payments of US$950,000, (ii) issuing shares having a value of US$250,000, and (iii) incurring exploration expenditures totaling US$2,700,000, all over a six year term.

"**Medicine Property Owners**" means each of Mr. Stephen Sutherland and Mr. Herb Duerr, residents of Nevada, United States.

"**Named Executive Officers**" means Albert R Timcke (our Executive Chairman and President), Jason Bahnsen (our Chief Executive Officer) and Leon Ho (our Interim Chief Financial Officer).

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

"**NSR**" means net smelter returns royalty.

"**Related Person**" has the meaning as described thereto in CSE Policy 1.

"**Revocation Orders**" mean orders received by the Company on November 9, 2017 revoking the Cease Trade Orders.

"**Shareholders**" means the holders of the Company's Common Shares.

"**Stock Option Plan**' means the stock option plan of the Company dated April 19, 2011.

"**Technical Report**" means the NI 43-101 compliant technical report of the Medicine Property entitled "NI 43-101 Technical Report – Medicine Property" dated January 15, 2018 as prepared by the Author, an independent Qualified Person as defined by NI 43-101.

"**Unit**" means a unit in the capital of the Company, as being offered pursuant to the Unit Offering; each Unit consisting of one Common Share and one Warrant.

"**Unit Offering**" means that offering being undertaken by the Company of up to 15,000,000 Units at $0.10 per Unit for gross proceeds of $1,500,000.

"**Warrant**" means a transferable Share purchase warrant, entitling the holder to acquire one Share at $0.20 for a period of two years from the date of issue, subject to the Warrant Acceleration.

"**Warrant Acceleration**" means the right of the Company to reduce the exercise period of the Warrants in the event the Company's Shares trade at or above $0.30 per Share for a period of 20 consecutive trading days, to not less than 30 days following the Company giving notice of such acceleration.

Forward-Looking Statements

The information provided in this Listing Statement, including information incorporated by reference, may contain "forward-looking statements" about the Company or its operations. In addition, certain statements may be made in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations that are not statements of historical fact and which may also constitute forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as of the date they are made and are based on information currently available and on then current expectations and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to:

- the availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interest;
- the speculative nature of the mineral exploration sector; and
- other risks described in this Listing Statement and described from time to time in Company documents filed with Canadian securities regulatory authorities.

Consequently, all forward-looking statements made in this Listing Statement and other Company documents are qualified by the cautionary statements made herein, and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences or effects. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that the Company and/or persons acting on its behalf may issue. The Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation. See "Part 17 – Risk Factors".

2. CORPORATE STRUCTURE

Corporate Structure

Northern Lights Resources Corporation. (the "Company")

2.1 Head office: 1000 – 355 Burrard Street, Vancouver, BC

Registered office: Suite 2900 – 595 Burrard Street, Vancouver, BC

2.2 The Company was incorporated on March 28, 2007 pursuant to the BCBCA under the name Northern Lights Uranium Corp. On April 22, 2008, we changed our name to Northern Lights Resources Corp. We are also registered as an extra-territorial corporation under the *Business Corporations Acts* of the Yukon Territory and the Northwest Territories.

2.3 The Company has no subsidiaries or affiliated entities.

2.4 The Company was previously listed for trading on the CSE from June 28, 2012 to October 31. 2013, when the Company's shares were delisted due to the Cease Trade Orders. The Company has requalified for listing following (i) receipt of the Revocation Orders, (ii) entering into the Del Under Property Earn-In-Agreement and the Medicine Property Option Agreement, (iii) completion of a shares-for-debt transaction whereby 16,617,220 pre-Consolidation shares were issued at $0.05 per share to settle an aggregate of $830,861 of debt; (iv) completion of the Consolidation; (v) completion of a second shares-for-debt transaction whereby 8,954,327 Shares at $0.05 per Share were issued to settle an aggregate $376,886 of debt; and (vi) completion of the First Tranche of the Unit Offering.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 The following is a general description of the development of the Issuer's business over its five most recently completed financial years, to and including the date of this Listing Statement.

In June 27, 2012 the Company completed its initial prospectus offering; and on June 28, 2012 the Company's common shares began trading on the Canadian National Stock Exchange (now known as the Canadian Securities Exchange, or CSE). The Company's initial focus was on the exploration of the Misty Creek Property in the Yukon, and certain other minerals claims in the nearby Northwest Territories.

On April 30, 2013 the Company relinquished its interests in those mineral claims due to market conditions at the time, which precluded the Company from raising the necessary funds to finance exploration and corporate working capital.

Being then unable to afford the costs associated with preparing audited financial statements, the Company became delinquent in its filings, which prompted the issuance of the Cease Trade Orders in 2013 and 2014. On October 31, 2013, the CSE halted trading of the Company's shares; and on January 22, 2014, the CSE delisted the Company. As at the date of this Listing Statement, the Company's Shares remain delisted. The Company was inactive from 2014 until 2017.

Since April 30, 2017 (being the date of the most recently completed fiscal year) the Company has undertaken the following:

1. Entered into the Del Under Property Earn-In Agreement, whereby it may acquire up to a 100% interest in the Del Under Property in north-eastern Mongolia;

2. Entered into the Medicine Property Option Agreement whereby it may acquire a 100% interest in the Medicine Property located in Nevada;

3. Applied for and, on November 9, 2017 received, the Revocation Orders;

4. Initiated steps for re-listing on the CSE;

5. Appointed Jason Bahnsen as a director and CEO of the Company, on November 14, 2017;

6. Appointed Gary Artmont as Company's Head Geologist on November 24, 2017;

7. Appointed Richard Kelertas as an independent Director on December 1, 2017;

8. Completed a shares-for-debt transaction on December 4, 2017 whereby 16,617,220 pre-Consolidation common shares were issued at $0.05 per share to settle an aggregate of $830,861 of debt;

9. Appointed Gordon Tainton as an independent Director on December 8, 2017;

10. Appointed Leon Ho as the Company's interim Chief Financial Officer on December 8, 2017;

11. Completed the Consolidation on a 1.75 old for 1 new basis on December 28, 2017;

12. On February 6, 2018 the Company held an annual general meeting of its Shareholders, as required as a condition of issuing the Revocation Orders;

13. On February 14, 2018 the Company filed its Technical Report on the Medicine Springs Project;

14. On February 23, 2018 the Company received conditional approval to re-list from the CSE, and announced the Unit Offering;

15. On March 26, 2018 the Company completed a Shares-for-debt transaction whereby the Debt Holders were issued 7,537,711 Shares in full settlement of their debt (being $376,886 including interest at the annual rate of 12%), at $0.05 per Share. In addition the Company issued 1,416,616 Shares as a 20% bonus, to reflect the risk associated with such loans.

16. On October 2, 2108 the Company announced the closing of the first tranche of the Unit Offering whereby the Company issued 11,005,000 Units to raise $1,100,500. The Company paid aggregate finders' fees of $60,040 and 600,400 Shares in connection with that closing.

3.2 There have not been any significant acquisitions completed by the Issuer, nor are there any significant probable acquisitions proposed by the Issuer, for which financial statements would be required under National Instrument 41-101 *General Prospectus Requirements* if this Listing Statement were a prospectus. However, the Company has entered into the following two contracts for the acquisition of mineral property interests:

Medicine Property Option Agreement

Pursuant to the Medicine Property Option Agreement, the Company has the exclusive right and option to acquire a 100% interest in the Medicine Property. The property consists of 149 unpatented mineral claims totaling 1,189 hectares (2,980 acres) located in the Ruby Valley /Medicine Range area of south-eastern Elko County in Nevada. The Company considers the Medicine Property to be its "material" mineral property interest; and has commissioned and received the Technical Report thereon, as summarized in Schedule A hereto.

To exercise the option to acquire the Medicine Property, the Company must pay aggregate consideration of (i) cash payments of US$950,000, (ii) issuing Shares having a value of US$250,000, and (iii) incurring exploration expenditures totaling US$2,700,000 over a four year term, as follows:

Phases	Cash Payments (US$)	Shares Issued (Value in US$)[3]	Expenditures (US$)
1	25,000 (paid)	Nil	250,000[1,2]
2	50,000	50,000	300,000
3	100,000	50,000	400,000
4	150,000	50,000	500,000
5	200,000	50,000	500,000
6	425,000	50,000	750,000
Totals	**US$950,000**	**US$250,000**	**2,700,000**

1. As of April 30, 2018 the Company has incurred US$28,992 of expenditures, including payments made to the Medicine Property Owners to cover (i) US$23,195 to the United States Department of the Interior Bureau of Land Management, and (ii) US$3,690 to the Elko County Recorder's Office for 2017 and 2018 taxation years.
2. The deadline to complete the Phase 1 work program expires August 19, 2019.
3. Shares to be valued based on the weighted average of the Company's closing Share price over the preceding 30 trading days.

Excess expenditures from one year are able to be applied to subsequent years, and in the case of any shortfall in exploration expenditures in a given year the option can be maintained in good standing by making cash payments in lieu. Upon paying the option exercise price in full, the Company will hold a 100% interest in and to the Medicine Property, subject to a royalty retained by the Medicine Property Owners and prior outstanding royalties. Should the Company fail to make any option payment, the option will terminate and the Company will forfeit any interest therein.

The Medicine Property Owners are arm's length to the Company.

The Medicine Property Owners will retain the following royalties: (i) a 2.0% NSR royalty on 126 unpatented mineral claims (the "Joint Claims"), of which the Company will have the right to purchase 75% (1.5% NSR) for $3.0 million at any time; and (ii) a 2.0% NSR royalty on the remaining 23 unpatented mineral claims, of which the Company will have the right to purchase 75% (1.5% NSR) for $1,000,000 at any time. A third party retains an additional 0.5% NSR royalty on the Joint Claims.

Del Under Property Earn In Agreement

Pursuant to the Del Under Property Earn-In-Agreement, the Company has the exclusive right and option to acquire a 100% interest in the Del Under Property located in north-eastern Mongolia. That property is held by EMIC LLC, a private Mongolian company. The property consists of one exploration license - #15447X ("Exploration License") as issued by the Mineral Resources Authority of Mongolia (MRAM"). The Company does not consider the Del Under Property to be "material" to it at this stage, as the Company will be focusing its initial resources to the Medicine Property instead. The Issuer anticipates commissioning and receiving a NI43-101 technical report on this property during the first half of 2019, following which it will assess and determine an exploration strategy for the property.

To exercise the option to acquire the Del Under Property, the Company must pay aggregate consideration of (i) cash payments of C$500,000, (ii) issuing 11,428,571 Shares (20,000,000 pre-Consolidation shares), and (iii) incurring exploration expenditures totaling C$2,000,000 over a four year term, as follows:

Phases	Cash Payments (C$)	Shares Issued	Expenditures (C$)	Percentage Interest Earned[1]
1	50,000	1,142,857	200,000[2]	10%
2	75,000	1,714,286	300,000	15%
3	125,000	2,857,143	500,000	26%
4	250,000	5,714286	1,000,000	49%
Total	**500,000**	**11,428,571**	**2,000,000**	**100%**

1. EMIC will retain a 2.0% NSR royalty.
2. The Company has incurred US$8,403 of expenditures on the Del Under Property for payment of government taxes on the exploration license for 2018.

The Company anticipates (i) paying the initial cash payment of $50,000 immediately prior to re-listing of the Company's Shares on the CSE; (ii) completing the $200,000 minimum Phase 1work program following an analysis of the property and receipt of an NI 43-101 technical report recommending a work program; and (iii) issuing the first tranche of 2,000,000 Shares upon completion of the Phase 1 work program and the Company being satisfied with the results thereof. The target date to complete the Phase 1 program is within 12 months following re-listing on the CSE.

Upon completion of each phase, the Company will earn additional interests in the property. However, if the Company terminates the option prior to the completion of Phase 3, the Company will forfeit any interest earned in the property in Phases 1 and 2; and EMIC will retain all cash and Shares paid prior to termination.

Excess expenditures incurred in any year may be applied to subsequent years, and in the case of any shortfall in exploration expenditures in a given year the option can be maintained in good standing by the payment of cash in lieu.

EMIC will retain a 2% NSR royalty on the property, of which the Company will have the right to purchase one-half (1% NSR) for $1.0 million at any time after the completion of Phase 4.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

The Company is a junior mineral exploration company, with one material mineral property interest, being an option to acquire an interest in the Medicine Property in Nevada, and one potentially material mineral property interest, being the Del Under Property in Mongolia.

The Company's business objectives that it expects to accomplish in the forthcoming 12 month period are:

(i) to re-list its Shares for trading on the CSE;

(ii) to undertake the Phase 1 exploration program on the Medicine Property in accordance with the recommended work program set forth in the Technical Report;

(ii) complete an analysis and a technical report of the Del Under Property, and if warranted, undertake an initial exploration program thereon; and

(iii) to pursue other exploration properties of merit.

Funds Available

The Company's budget to carry out its expected business objectives over the forthcoming 12 months is $1,000,000, as outlined below:

Use of Funds	Amount (C$)
Medicine Property - Cash Option Payment	$32,000[1]
Medicine Property - Phase 1 Work Program	$320,000
Del Under Property – Cash Option Payment	$50,000
Del Under Property – Technical Report and Initial Work Program	$200,000
General & Administrative Expenses	$298,000
Unallocated Working Capital	$100,000
TOTALS	**$1,000,000**

1. Canadian dollar equivalent of US$25,000, based on an exchange conversion 1.28 Cdn dollars to one US dollar.

Should the Issuer determine to undertake further exploration of either the Medicine Property or the Del Under Property, the Issuer will require additional financing, or enter into a sub-option or joint venture relationship with another mineral exploration company. There is no guarantee the Issuer will be successful in raising any such funds or finding a joint venture partner. The Issuer may also investigate other property acquisition opportunities in the resource sector with the long-term objective of adding to the inventory of properties under development and seeking to develop significant resources.

4.2 The Company does not have any asset-backed securities outstanding.

4.3 A summary of the Technical Report is set out in Schedule "A" to this Listing Statement. The complete Technical Report is available for review on SEDAR. A brief summary of the Technical Report is as follows:

Medicine Property Summary

The Medicine Property is located in southeastern Elko County, Nevada and comprises 149 unpatented mineral claims covering 2980 acres (1189 ha). The land is under the jurisdiction of the U.S. Bureau of Land Management (BLM). The property is readily accessible by a network of county and state roads which connect to Interstate Highway I-80, situated 12 miles (18 km) to the north. The nearest population center is Elko, Nevada which is situated 100 miles (160 km) to the northwest. Elko serves as a major support base for numerous large gold mines currently operated by Newmont Mining and Barrick Gold.

Historic production from the Medicine Property was reported to be 350,000 pounds of lead, 1,700 pounds of zinc and 15,500 ounces of silver. In the 1980's, USMX defined a small non NI 43-101 compliant resource at the Golden Pipe deposit estimated at 350,000 tons grading 2.3 opt (71 g/t) silver with significant lead and zinc credits.

A total of 125 drill holes for 17,650 feet (5,350 meters) was completed on the property in three drill campaigns dating back to 1980. Over 85% of this drilling was undertaken on the Golden Pipe deposit. Historical exploration defines a zone of silver-lead-zinc mineralization that extends in a northeastern direction for 11,200 feet (3,400 meters) and is over 4,600 feet (1,400 meters) in width. Past drilling covers less than 10% of the known mineralized zone. Drill results indicate the mineralization is open along strike and below a depth of 600 feet (180 meters). Geophysical work completed by Cominco in 1996 identified three strong resistivity anomalies that are in part coincident with the Gold Pipe mineralization. The resistivity response is related to intense oxidation, decalcification and argillization of the limestone host rocks.

The property is underlain by Permian to Triassic carbonate stratigraphy consisting of silty limestone, calcareous siltstone, shale and minor calcareous conglomerate. The mineralization comprises two settings occurring as barite-silver-lead-zinc veins and breccias developed along high angle structures and as horizontal replacement of strongly altered Permian carbonates. Historical shafts and pits located in the Golden Pipe and Silver Butte prospects are controlled by two sub-parallel northeast trending fault zones. Alteration observed in outcrop and in drill cuttings is dominated by jasperoidal silicification and argillization of the limestone and shale units which is associated with intensive oxidation. Geological analogues for silver-lead-zinc mineralization are observed at the Maverick Springs and Lone Mountain deposits located within the same northeast trending metallogenic zone and hosted by Permian carbonates.

The recommended Phase 1 exploration program is budgeted at approximately CAD $320,000. This work is designed to expand the Golden Pipe mineralization further along strike and below the current known depth. Additional geochemical and geophysical surveying will be undertaken in the covered areas located to the northeast of the Golden Pipe deposit to develop new exploration targets.

Phase 1 Budget

License Fees (paid)	$30,000
Geological Supervision and field work	$20,000
RC drilling (approx. 1,000 meters)	$100,000
Assays and QA/QC	$15,000
Permitting	$10,000
Logistical Support	$20,000
Geophysical Surveying	$75,000
Geochemical Surveying	$30,000
Miscellaneous	$20,000
Estimated Total	**$320,000**

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

The following table provides certain financial data as extracted from the Issuer's audited financial statements for the four fiscal years ended April 30, 2018, 2017, 2016 and 2015, and the three months ended July 31, 2018:

	Three Mos. Ended July 31/18	Year Ended April 30/18	Year Ended April 30/17	Year Ended April 30/16	Year Ended April 30/15
Revenues	nil	nil	nil	nil	nil
G&A Expenses	$96,434	$369,173	$73,861	$134,195	$78,207
Income/(loss)	($96,434)	($369,173)	($73,861)	($134,195)	($78,207)
Loss per share	($0.00)	($0.02)	($0.00)	($0.01)	(0.00)
Current Assets	$26,559	$44,607	$2,366	$4	$4,337
Exploration and Evaluation Assets	$101,498	$65,069	nil	nil	Nil
Total Assets	$129,493	$111,188	$4,256	$2,366	$7,290
Current Liabilities	$165,628	$115,889	$930,362	$854,611	$725,340
Long-term liabilities	nil	nil	nil	nil	nil
Shareholders' Equity	($36,135)	($4,701)	($926,106)	($852,245)	($718,050)

There were no factors affecting the comparability of the above data, including discontinued operations, changes in accounting policies, significant acquisitions or significant dispositions or major changes in the direction of the Issuer's business.

5.2 Quarterly Information

The Company was subject to the Cease Trade Orders from 2014 to and until November 9, 2017. As a condition of revoking the Cease Trade Orders, the applicable securities commissions required the Company to prepare and file (i) annual audited financial statements (and corresponding MD&A) for each of the fiscal years ended April 30, 2014 to 2018. As such the Company did not prepare (and does not have available) quarterly statements for the fiscal years ended April 30, 2017 or 2018.

5.3 Dividends

There are no restrictions in the Company's corporate articles on its ability to pay dividends. However, (i) the Company has never paid a dividend nor made a distribution on any of its securities, (ii) the Company has no history of income or sources of funds from which to pay dividends, and (iii) given the stage of the Company's development, it could be a long period of time before the Company may be in a position to pay dividends or make distributions to its shareholders.

The payment of any future dividends by the Company will be at the sole discretion of the Board. In this regard, the Company expects it will retain any earnings to finance further growth of the Company.

5.4 Foreign GAAP

The Issuer's financial information is not prepared or presented on the basis of foreign GAAP.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Annual MD&A

Please refer to Schedule "D" for the Company's MD&A pertaining to its July 31, 2018 interim financial statements; and to Schedule "F" for the Company's MD&A pertaining to its April 30, 2018 annual financial statements.

7. MARKET FOR SECURITIES

The Issuer's Common Shares were listed and posted for trading on the CSE under the symbol: "NLE" for the period from June 28, 2012 to October 31, 2013. The Issuer's Shares are not currently trading on any stock exchange. The Issuer seeks to re-list its Shares for trading on the CSE.

8. CONSOLIDATED CAPITALIZATION

The Issuer is authorized to issue an unlimited number of Common Shares. There are currently 45,162,232 Common Shares, 11,005,000 Warrants and nil Stock Options issued and outstanding in the capital of the Company.

Since April 30, 2017, the following material changes have occurred with respect to the Company's share and loan capital structure:

1. Effective November 22, 2017 the Company completed a shares-for-debt transaction whereby 16,617,220 pre-Consolidation common shares were issued at $0.05 per share to settle an aggregate of $830,861 of debt;
2. Effective December 1, 2017 the Company completed the Consolidation, whereby every 1.75 outstanding common shares were consolidated to one Share;
3. Effective March 23, 2018 the Company completed a Shares-for-debt transaction whereby the Debt Holders were issued an aggregate of 8,954,327 Shares in full settlement of their debt; and
4. Effective October 2, 2018 the Company closed the first tranche of the Unit Offering, and issued 11,005,000 Units at $0.10 per Unit to raise $1,100,500. The Company also issued 600,400 Common Shares as finders' fees.

For further details about the Issuer's outstanding securities, see Section 10 – Prior Sales.

9. OPTIONS TO PURCHASE SECURITIES

The Issuer under its current stock option plan (the "Plan") dating April 19, 2011 may issue options to acquire Shares in a quantity of up to 10% of the Company's issued and outstanding Shares from time to time. The following is a brief description of the principal terms of the Plan:

Number of Shares Reserved. The maximum number of Shares which may be issued pursuant to options granted under the Plan shall not exceed 10% of the issued and outstanding Shares from time to time as at the date of grant.

Maximum Term of Options. The term of any options granted under the Plan is fixed by the board of directors and may not exceed 10 years from the date of grant. The options are non-assignable and non-transferable.

Exercise Price. The exercise price of options granted under the Plan is determined by the board of directors, provided that the exercise price is not less than the price permitted by the CSE (basically, the closing market price as of the date of grant) or, if the Issuer's shares are no longer listed on the CSE, then such other exchange or quotation system on which the Issuer's shares are listed or quoted for trading.

Amendment. The terms of an option may not be amended once issued. If an option is cancelled prior to the expiry date, the Issuer shall not grant new options to the same person until 30 days have elapsed from the date of cancellation.

Vesting. Vesting, if any, and other terms and conditions relating to such options, shall be determined by the board of directors of the Issuer in accordance with CSE requirements.

Termination. Any options granted pursuant to the Plan will terminate generally within 90 days of the option holder ceasing to act as a director, officer, employee, management company or consultant of the Issuer or any of its affiliates, and generally within 30 days of the option holder ceasing to act as an employee engaged in investor relations activities, unless such cessation is on account of death. If such cessation is on account of death, the options terminate on the first anniversary of such cessation. If such cessation is on account of cause, or terminated by regulatory sanction or by reason of judicial order, the options terminate immediately.

Administration. The Plan is administered by the board of directors of the Issuer, or if the board of the Issuer so elects, by a committee, which committee consists of at least two board members.

Board Discretion. The Plan provides that, generally, the number of Shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable, including vesting provisions, and other terms and conditions relating to such options shall be determined by the board of directors of the Issuer, all in accordance with CSE requirements.

General. Options that have been cancelled or that have expired without having been exercised shall continue to be issuable under the Plan. The Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision or exchange of the Issuer's shares.

There are no stock options outstanding as of the date of this Listing Statement. The Company does anticipate granting options following the commencement of trading on the CSE.

10. DESCRIPTION OF THE SECURITIES

10.1 **Common Shares**: The Issuer is authorized to issue an unlimited number of Common Shares, of which there are 45,162,232 Common Shares outstanding as of the date of this Listing Statement.

Each holder of a Common Share is entitled to: (i) one vote at all meetings of shareholders;(ii) a pro rata share of any dividends or other distributions declared payable by the Board; and (iii) a pro rata share of any distribution of the Issuer's assets on any winding up or dissolution of the Issuer. There are no pre-emptive rights; conversion or exchange rights; redemption, retraction, purchase for cancellation or surrender provisions; sinking or purchase fund provisions; provisions permitting or restricting the issuance of additional securities; or any other material restrictions or provisions requiring a security holder to contribute additional capital, which are applicable to the Issuer's Common Shares.

The Issuer may, if authorized by its directors, purchase, redeem or otherwise acquire any of its issued and outstanding Shares at such price and upon such terms as determined by the Board.

Warrants: There are 11,005,000 Warrants outstanding as of the date of this Listing Statement. Each Warrant entitles the holder to acquire one Common Share at $0.20 to and until October 2, 2020, subject to the Warrant Acceleration. The Warrants are subject to anti-dilution provisions, such that in the event of any future consolidation, share split, corporate re-organization or similar event, the number of Shares that may be acquired and exercise price of the Warrants will be adjusted accordingly.

10.2 **Debt securities**: The Issuer has no debt securities that are to be listed on the CSE.

10.3 **Other securities**: The Issuer has no other securities that are to be listed on the CSE.

10.4 **Modification of terms**: The rights and restrictions applicable to the Common Shares may only be modified by special resolution of the Shareholders, at a duly called meeting.

10.5 **Other Attributes**: There are no rights attaching to the Common Shares that are materially limited or qualified by the rights of any other class of securities, or is there any other class of securities which ranks ahead of or equally with the Common Shares.

10.6 **Prior Sales**

The Company did not issue any securities during the fiscal years ended April 30, 2014, 2015, 2016 and 2017 (due to the Cease Trade Orders being in effect). The table below sets out the sales of the Issuer's securities since the date of the Revocation Orders, being November 9, 2017:

Date of issuance	Security Issued	No. of Securities Issued[1]	Price per security ($)	Value received ($)	Type of transaction
December 4, 2017	Shares	9,495,554[2]	$0.05	$830,861	Debt Settlement
March 23, 2018	Shares	7,537,711	$0.05	$376,886	Debt Settlement
March 23, 2018	Shares	1,416,616	$0.05	$70,831	Bonus Shares
October 2, 2018	Units[3]	11,005,000	$0.10	$1,100,500	Private Placement
October 2, 2018	Shares[4]	600,400	$0.10	$60,040	Finder's Fee

1. All figures are on a post-Consolidation basis.
2. The Company issued 16,617,220 pre-Consolidated shares, which following the Consolidation equated to 9,495,544 Shares.
3. Each Unit consists of one Share and one Warrant.
4. Finders' Fee Shares issued in connection with the Unit Offering.

10.7 **Stock Exchange Price:** The Company's common shares were originally listed on the CSE from June 28, 2012 to October 31, 2013, when the Company's shares were delisted due to the Cease Trade Orders. Since that date, the Company's Shares have not been listed or traded on any stock exchange or market.

11. ESCROWED SECURITIES

There are no securities subject to escrow in the capital of the Company.

12. PRINCIPAL SHAREHOLDERS

To the knowledge of our directors and officers, there is only one person who beneficially owns, as of the date hereof, directly or indirectly, or exercises control or direction over, more than 10% of our Shares:

Name	No. of Shares Held	Ownership	Percentage[1]
Albert (Rick) Timcke[2]	5,602,800	Direct, Beneficial	12.41%[3]

1. Based on there being 45,162,232 Shares outstanding.
2. Mr. Timcke is the Company's President and Executive Chairman.
3. On a fully diluted basis, Mr. Timcke's Shares would represent 9.97% of the Company's then outstanding Shares.

To the knowledge of the Issuer, there are no Shares held, or to be held, subject to any voting trust or other similar agreement.

13. DIRECTORS AND OFFICERS

13.1-13.2 The below table lists the name and municipality of residence of each director and executive officer of the Issuer, and indicates their respective positions and offices held with the Issuer, the period or periods during which each director has served as a director, and their respective principal occupations within the five preceding years:

Name, Municipality of Residence and Offices Held	Date Appointed[1]	Principal Occupation
Albert R Timcke *Executive Chairman & President* Courtenay, British Columbia	March 2007	Executive Chairman and President of the Issuer.
Jason Bahnsen *CEO and Director* Nanaimo, British Columbia	November, 2017	CEO of the Issuer.
Graham Keevil *Director* Vancouver, British Columbia	March, 2015	President & CEO of Tajiri Resources Corp. Was CEO of the Company from March 23, 2015 to April 30, 2017.
Leon Ho *CFO* Vancouver, British Columbia	November, 2017	Chartered Professional Accountant. Accountant at Cross/Davis – Vancouver, BC.
Richard Kelertas *Director* Toronto, Ontario	December 2017	Businessman, Consultant
Gordon Tainton *Director* Switzerland	December 2017	President, Director of Focus Ventures Ltd.

13.3 The directors and officers of the Issuer as a group, beneficially own, directly or indirectly, or exercise control or direction over a total of 7,902,800 Common Shares, representing approximately 17.5% of the total votes attached to the Issuer's issued and outstanding Common Shares.

13.4 The Board has one committee, being the Audit Committee which is comprised of Jason Bahnsen, Chief Executive Offices and Director, Richard Kelertas, an independent Director and Gordon Tainton, an independent Director. The Company expects to add technical advisors to its management group to provide recommendations regarding work programs, or the implementation of work programs, to be undertaken on the Medicine and Del Under Properties.

13.6 No director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets,

other than each of Albert (Rick) Timcke and Graham Keevil were directors and officers of the Company during all or a portion of the of time the Cease Trade Orders were in effect.

13.7 No director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, has:

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.9 No director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

13.10 *Conflicts of Interest*

The Issuer's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other companies and as such conflicts of interest may occur with respect to business opportunities, or to the extent that such other companies may participate in a venture in which the Issuer may participate, the directors of the Issuer may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that any conflict of interest arises at a meeting of the Issuer's directors, a director who has such a conflict is required to disclose such interest and abstain from voting for or against the matter. The directors of the Issuer are required to act honestly in good faith and in the best interests of the Issuer.

The directors and officers of the Issuer are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and the Issuer will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable laws and shall govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. The directors and officers of the Issuer are not aware of any such conflicts of interest.

13.11 *Management*

Further information on the business experience and professional qualifications of our directors, officers and promoters is set forth below:

Albert (Rick) Timcke – Director – Executive Chairman & President

Mr. Timcke, age 54, is a Vancouver based entrepreneur and financier who has been involved in public equity market roles for more than 27 years; specializing in the marketing, funding, restructuring and formation of Canadian-based resource issuers listed on both Canadian and US exchanges.

Rick entered the public equity markets industry in 1990 with the Dow Jones Company with a specialization in early-stage markets. Over the next seven years he gained experience working with equity, money market and foreign exchange markets. Over the last two and a half decades, Rick has assisted in raising millions of dollars of venture capital for micro and small - cap companies.

Over his career, Mr. Timcke has had senior roles with listed public companies ranging from investor relations to being an Officer and Director. Previously held positions include: CEO of Northern Lights Resources Corp., March 2007 – March 15, 2015; Director of LiCo Energy Corp., September 2016 – January 2017; Investor Relations of Nevada Energy Metals Inc., August 2016 – February 2017; Corporate Development/Investor Relations of Auracle Resources Ltd., August 2012 – October, 2012; President, CEO and Director of Tajiri Resources Corp., April 2011 – July 2012.

Jason Bahnsen – Director & Chief Executive Officer

Mr. Bahnsen, age 55, is a mining engineer with over 30 years of experience in natural-resources finance and operations.

Jason began his career is mine development and operations including several years at Freeport Indonesia, Royal Oak Gold Mines and at Rio Tinto where he was involved in senior mine feasibility and business development roles. Jason's investment banking experience includes senior resource banking roles with Deutsche Bank, Macquarie Bank and Fox-Davies Capital where he led numerous M&A and equity capital market transactions for international resource companies globally.

Prior to joining the Issuer, he was CEO of Falcon Isle Resources (private); CEO of Strata Minerals Inc., a TSX.V listed phosphate explorer; CEO of Gobi Coal and Energy, a (private) Mongolian coal development company; and Director at Deutsche Bank AG, including serving as the Head of Deutsche Bank's Metals and Mining investment banking practice in Asia-Pacific.

Mr. Bahnsen graduated from the Queen's University Kingston with a B.Sc in Mining Engineering and holds an MBA from University of New England, Australia.

Leon Ho, CPA – Chief Financial Officer

Leon Ho, age 27, is a Chartered Professional Accountant working at Cross Davis & Company LLP, a chartered professional accounting firm providing accounting services to publicly listed entities, primarily in the mining sector. Leon works directly with mining CEO's and directors assisting with their regulatory and accounting needs.

Graham Keevil – Director

Graham Keevil, age 33, has 13 years of public company experience; specifically in the funding and management of Publicly Traded Resources Issues.

Graham has augmented, and managed directly +US$12 million in capital raising for exploration throughout North and South America, and has been instrumental in far larger transactions.

He has worked with Teck Resources, Selkirk Metals, Pure Diamonds, Cross Lake Minerals, and a variety of other public ventures. Graham has been President of Tajiri Resources since July 2013, and maintains the Northern American operations as acting Corporate and Capital Manager.

Richard A. Kelertas, Bscf. MscF., RPF. – Independent Director

Richard Kelertas, age 63, has for over 35 years, held various positions in corporate Canada, encompassing sales, marketing, corporate development, corporate banking and equity capital markets. For 25 years, he has been a top ranked Equity Analyst and worked for various national and international firms.

Mr. Kelertas was recently Manager – Special Projects (Pulp & Paper) at Resolute Forest Products Ltd., and before that served as Senior Vice President of Corporate Development at Allana Potash Corp. from May 1, 2012 to July 28, 2015. Previously he served as Vice President and Senior Financial Analyst at Dundee Canada and Scotia McLeod. He has also held senior corporate banking positions at National Bank of Canada and the Mercantile Bank of Canada. Before that he worked in the resources division of Noranda Inc and held various sales, marketing and corporate development positions.

He has served as a Director of Strata Minerals Inc. from July 24, 2012 to April 01, 2016; and was CEO of Celeste Mining Corp. from March 2013 until November, 2015.

Mr. Kelertas has been one of the most prominent investment analysts in Canada, ranked a "Top Gun" equity analyst by Brendan Woods International (BWI) for the past seven years; and in 2010 was one of only 14 analysts in Canada to be named a "Super Leaguer Analyst" by BWI. Mr. Kelertas graduated from the University of Toronto with two science degrees, including a Master's of Science.

Gordon Tainton – Independent Director

Mr. Tainton, age 61, has over 25 years of experience at senior management levels in various sectors of the natural resources industry, including distribution, port/terminal development, trading, shipping, off-take agreements, and project finance. Within management teams, he has financed and developed port/terminal projects in the Americas, Asia and Oceania. He spent eight years with Sumitomo Corp. of Tokyo sourcing, purchasing and delivering key intermediate bulk and bagged industrial mineral products. In

1992, Gordon participated in a management led acquisition of Inspectorate plc, one of the world's largest independent control services groups, which was subsequently sold to British Standards Institute in 1998. During his tenure at Inspectorate plc, the volume of ferrous minerals, fertilizers and commodity chemicals inspected and tested increased by more than 25%. Since 2010 Gordon has held various executive and non-executive Board positions in both public and private companies. Gordon is currently President and Director of Focus Ventures Ltd, a TSX.V listed company developing a large scale phosphate project in Peru.

Geology and Engineering Advisor

Gary Artmont – Head Geologist

Mr. Artmont is a senior exploration geologist with over 40 years of international experience in regions including Canada, USA, Mexico, South America, Indonesia, Africa, Russia, China and Mongolia. He is a fellow member of AUSIMM, and qualified to write NI 43-101 technical reports or JORC competent person reports for various exchanges.

Exploration background extends from grassroots to project pre-feasibility studies. Working experience includes a wide variety of mineral settings such as precious metals, ferrous and non-ferrous metals, industrial and energy commodities.

Mr. Artmont has held senior positions with Rio Tinto, Kennecott Australia, Freeport McMoran Indonesia, Union Carbide, Norilsk Nickel and Ivanhoe Mining. From 1989 to 1995, Mr. Artmont served as the Chief Exploration Geologist for Freeport responsible for conducting exploration over a 57,000 km^2 contract of work surrounding the Grasberg deposit in Indonesia.

During his career, Mr. Artmont has conducted over 150 site visits to producing mines located throughout the world.

Technical Advisors

Dr. Fouad Kamaleddine, Ph.D., P.Eng.

Dr. Kamaleddine, Ph.D., P.Eng has been VP R&D at Fancamp Exploration Ltd. since 2012, and a Director since 2009. He served as Director of Northern Platinum Ltd. since November 14, 2008. He is a professional Engineer in Ontario. He received his doctorate degree from the Department of Civil and Mineral Engineering at the University of Toronto, and has been a Special Lecturer there since 1999. He is the inventor and developer of a new hydrometallurgical technology for upgrading low-grade titanium feeds. Dr. Kamaleddine has been providing engineering consulting for various mining projects including mining engineering, mineral processing and project economics.

Antonio (Mel) de Quadros PhD, Peng

Dr. de Quadros (Mel) has over 40 years of experience in the global resources sector and has been involved in all phases of mining, from grassroots exploration to mineral production. He has held several positions as an officer and director of publicly listed mining companies.

Mel's experience spans managing exploration programs for companies with projects throughout East Africa, the Americas, and Canada and includes work on base metals (lead, zinc, nickel), silver, gold, cobalt, iron ore and titanium deposits.

Mel is currently acting a director of Fancamp Resources Inc. and Romios Gold Resources Ltd. He serves as an advisor to Rokmaster Resources Corp.

Dr. de Quadros is a member of the Professional Engineers Ontario (since 1990), and a member of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (since 1982). He is also a Member of the Canadian Institute of Mining and Metallurgy. Dr. de Quadros received his B.Sc from the University of London, England in Geology and Chemistry (1964), a M.Sc in Geology, and completed his Ph.D. in Geology from the University of Nairobi, Kenya in 1972.

Audit Committee

Pursuant to CSE Policies, National Instrument 52-110 - *Audit Committees* ("NI 52-110"), and the provisions of section 224 of the BCBCA, we are required to have an Audit Committee comprised of at least three directors, the majority of whom must be independent.

We must also, pursuant to the provisions of NI 52-110, have a written charter which sets out the duties and responsibilities of our audit committee. In providing the following disclosure, we are relying on the exemption provided under Part 6 of NI 52-110, which allows for the short form disclosure of the audit committee procedures applicable to venture issuers.

Audit Committee Charter

Mandate

The primary function of the audit committee (the "Committee") is to assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities by reviewing (i) the financial reports and other financial information provided by us to regulatory authorities and shareholders, (ii) our systems of internal controls regarding finance and accounting, and (iii) our auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, our policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

(i) serve as an independent and objective party to monitor our financial reporting and internal control systems and review our financial statements;

(ii) review and appraise the performance of our external auditors; and

(iii) provide an open avenue of communication among our auditors, financial and senior management and the Board.

Composition

The Committee will be comprised of at least three directors as determined by the Board, the majority of whom must be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgment as a member of the Committee. At least one member of the Committee should have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by our financial statements. The members of the Committee shall be elected each year by the Board at its first meeting following the annual shareholders' meeting.

Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

<u>Documents/Reports Review</u>

(a) Review and update the Audit Committee Charter annually.

(b) Review the Company's financial statements, MD&A and any annual and interim press releases regarding the same before we publicly disclose this information, and any reports or other financial information (including quarterly financial statements) which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

(c) Confirm that adequate procedures are in place for the review of our public disclosure of financial information extracted or derived from our financial statements.

<u>External Auditors</u>

(a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of our shareholders.

(b) Obtain annually, a formal written statement of the external auditors setting forth all relationships with us, consistent with the Independence Standards Board Standard 1.

(c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

(d) Take, or recommend that the full Board take appropriate action to oversee the independence of the external auditors.

Composition of the Audit Committee

The Company's audit committee currently consists of Albert (Rick) Timcke, Richard Kelertas and Gordon Tainton.

<u>**Corporate Governance**</u>

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with our day-to-day management. National Instrument 58-201 - *Corporate Governance Guidelines* establishes corporate governance guidelines to be used by issuers in developing their own corporate governance practices. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") we are required to disclose our corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors

The Board is currently composed of five directors, Messrs. Albert (Rick) Timcke, Jason Bahnsen, Graham Keevil, Richard Kelertas, and Gordon Tainton.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to our best interests, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NI 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. The Company has two independent directors, being each of Richard Kelertas, and Gordon Tainton. Albert Timcke (Executive Chairman, President and a significant shareholder), Jason Bahnsen (Chief Executive Officer), and Graham Keevil, former CEO and a significant shareholder, can all be considered as not independent.

The independent directors exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

Directorships

The following directors of the Company also serve as directors of other reporting issuers:

Director	Other Reporting Issuer	Name of Exchange or Market
Graham Keevil	Tajiri Resources Ltd	TSX Venture
Gordon Tainton	Crops Inc. previously Focus Ventures Ltd	TSX Venture

Orientation and Continuing Education

Each new director is given an outline of the nature of our business, our corporate strategy, and current issues within the Company. New directors are encouraged to review our disclosure records as filed on SEDAR; and are also required to meet with our management to discuss and better understand our business, and are given the opportunity to meet with our counsel to discuss their legal obligations as our directors.

In addition, our management takes steps to ensure that our directors and officers are continually updated as to the latest corporate and securities policies which may affect our directors, officers and committee members as a whole. We continually review the latest securities rules and policies and are on the mailing list of the Exchange to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of our directors either by way of director or committee meetings or by direct communications from management to the directors.

Ethical Business Conduct

The Board intends to adopt a written Code of Ethical Conduct (the "Code") for its directors, officers and employees. The full text of this code will be available for review under our profile on SEDAR at www.sedar.com and may be obtained free of charge upon request to us by mail.

In addition, as some of our directors also serve as directors and officers of other companies engaged in similar business activities, the Board must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

Nomination of Directors

Our management is continually in contact with individuals involved in the mineral exploration industry and with public sector resource issuers. From these sources management has made numerous contacts and in the event that we require any new directors, such individuals would be brought to the attention of the Board. We conduct due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to us, the ability to devote the time required and a willingness to serve.

Compensation

The Board is responsible for monitoring and reviewing the salary and benefits of its executive officers, and our general compensation structure, policies and programs in consideration of industry standards and our financial situation, and has not formed a compensation committee to assume such responsibilities (although it may do so in the future should the Board become larger). The Board is also responsible for determining the compensation of those directors who currently are not compensated in their capacity as directors, and for the administration of stock options.

Other Board Committees

At present, we do not have any committees other than an Audit Committee. See “Audit Committee” above. We have no present intention of creating any other committees, but may do so in the future should our Board become larger.

14. CAPITALIZATION

The following tables provide information about our capitalization as of the date of this Listing Statement, and refer to our outstanding Common Shares:

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	45,162,232	56,167,232[1]	100%	100%
Held by Related Persons[(2)] (B)	7,902,800	7,902,800	17.49%	14.07%
Total Public Float (A-B)	37,259,432	48,264,432	81.51%	85.93%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions[(3)](C)	Nil	Nil	0.00%	0.00%
Total Tradeable Float (A-C)	45,162,232	56,167,232	100%	100%

(1) Includes 11,005,000 Warrants.

(2) Related Persons or employees of the Issuer, or persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held). See below.

(3) Includes restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders.

The only Related Persons holding securities of the Issuer, are Rick Timcke as to 5,602,800 Shares; Jason Bahnsen as to 800,000 Shares, and Graham Keevil as to 1,500,000 Shares.

Public Security holders (Registered)

For the purposes of this table, "public security-holders" are registered Shareholders other than related persons enumerated in section (B) of the previous chart.

Size of Holding	Number of holders	Total number of Shares
1 – 99 securities	0	-
100 – 499 securities	0	-
500 – 999 securities	0	-
1,000 – 1,999 securities	0	-
2,000 – 2,999 securities	0	-
3,000 – 3,999 securities	0	-
4,000 – 4,999 securities	0	-
5,000 or more securities	108	37,259,432
Totals	**108**	**37,259,432**

Public Security holders (Beneficial)

The following table includes (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings.

Size of Holding	Number of holders	Total number of Shares
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities	1	1,000
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	186	31,028,274
Unable to confirm		6,230,158
Totals	**187**	**37,259,432**

Non-Public Security-holders (Registered)

The following table includes "non-public security holders", being those related persons enumerated in section (B) of the issued capital chart.

Size of Holding	Number of holders	Total number of Shares
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	3	7,902,800
Totals	**3**	**7,902,800**

14.2 The following table details securities convertible or exchangeable into Shares.

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of Common Shares upon conversion / exercise
Warrants (exercisable at $0.20 for 24 months)	11,005,000	11,005,000

14.3 There are no other Shares reserved for issuance that are not included in section 14.2.

15. EXECUTIVE COMPENSATION

See “Statement of Executive Compensation” in Schedule B hereto.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No officer, director, employees or former officer, director or employee of the Issuer (i) has been indebted to the Issuer at any time during the most recently completed financial year or is currently indebted to the Issuer for any purpose, or (ii) is the subject of a guarantee, support agreement (including, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower), letter of credit or other similar arrangement or understanding.

17. RISK FACTORS

The Issuer's business, operating results and financial condition could be adversely affected by any of the risks outlined below. These risks and uncertainties are not the only ones facing the Issuer. Additional risks and uncertainties not currently known to the Issuer, or that the Issuer currently deems immaterial, may also impair the operations of the Issuer. If any such risks actually occur, the financial condition, liquidity and results of operations of the Issuer could be materially adversely affected and the ability of the Issuer to implement its growth plans could be adversely affected.

An investment in the Issuer's Shares is speculative and will be subject to material risks; and investors should not invest in securities of the Issuer unless they can afford to lose their entire investment.

General Risks Concerning the Business of the Company

Limited History of Operations

The Issuer has limited history of mineral exploration and has no history of production, cash flow, revenue, or profitability. There are no known commercial quantities of mineral reserves on the Issuer's properties. There is no assurance that the Issuer will ever discover any economic quantities of mineral reserves.

High Risk, Speculative Nature of Investment

An investment in the Shares carries a high degree of risk and should be considered speculative by purchasers.

Public Market

An active trading market of the Issuer's Shares may not develop or, if it does develop, may not be sustained. The lack of an active market may:

(i) impair shareholders' ability to sell their Shares at the time they wish to sell them or at a price that they consider reasonable;

(ii) reduce the fair market value and increase the volatility of the Shares; and

(iii) impair the Company's ability to raise capital by selling Shares and to acquire other exploration properties or interests by issuing Shares as consideration.

Volatility of Share Prices

Share prices are subject to change because of numerous factors including reports of new information, changes in our financial situation, the sale of Shares in the market, failure to achieve financial results in line with the expectations of analysts, or announcements concerning results. There is no guarantee that the market price of the Shares will be protected from any such fluctuations in the future.

In the past, companies have experienced volatility in their share value and have been the subject of securities class action litigation. The Issuer might become involved in securities class action litigation in the future. Such litigation often results in substantial costs and diversion of management's attention and resources and could have a negative effect on business and results of operation.

Requirement for Further Financing

The Issuer will need to raise additional funds to carry out exploration activities on its properties. Our ability to arrange such financings in the future will depend in part upon prevailing capital market conditions, as well as our business success. There is no assurance we will be able to raise additional funds or will be able to raise additional funds on terms acceptable to us. If the exploration programs are successful and favorable exploration results are obtained, the properties may be developed into commercial production. We will require significant additional funds to place any property into production.

As we have no source of operating revenue, the only sources of future funds presently available are the sale of equity capital, debt or offering of interests in the properties to be earned by another party or parties by carrying out development work. There is no assurance that any such funds will be available to the Issuer or be available on terms acceptable to it. If funds are available, there is no assurance that such funds will be sufficient to bring any property to commercial production. There is no assurance the Issuer will be able to enter into any contract with a third party for such party to conduct work on any property held by the Issuer. Failure to obtain additional financing, or to enter into an option or joint venture agreement, on a timely basis could have a material adverse effect on the Issuer, and could cause it to forfeit its interest in some or all of its properties and reduce or terminate its operations.

Further Acquisitions

As part of our business strategy, we may seek to grow by acquiring companies, assets or establishing joint ventures that we believe will complement our current or future business. We may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for our business. We cannot guarantee that we can complete any acquisition we pursue on favorable terms or that any acquisitions completed will ultimately benefit our business.

Exploration and Development

At present, all mineral properties in which we hold an interest are at the exploration stage and there are no bodies of ore, known or inferred, on any such properties. Mineral exploration and development involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to mitigate. The vast majority of properties which are explored are not ultimately developed into producing mines. There is no assurance that any mineral exploration activities will result in any discoveries of commercial bodies of ore on any property. The business of exploration for precious or base metals involves a high degree of risk. Few exploration properties are ultimately developed into producing properties.

To the best of our knowledge, government permits will be required to carry out our proposed exploration programs. These programs will require application for permits at various government levels and we may be required to post security equivalent to the costs of any reclamation work which will be required after completion of the proposed exploration work. Further, licenses and permits are subject to changes in regulations and in various operational circumstances. A substantial number of additional permits and licenses will be required should the Issuer proceed beyond exploration. There can be no guarantee that any or all such licenses and permits will be obtained in a timely manner, or at all.

Supplies, Infrastructure, Weather and Inflation

Our property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. Power may need to be generated on site. Bad weather can also disrupt exploration activities resulting in delays and added costs. Exploration companies can expect to experience difficulty in scheduling exploration activities such as drilling contracts, airborne geophysical surveys and other services that are key components of early stage exploration programs.

Reliability of Historical Information

We have relied, and the Technical Report is based, in part, upon historical data compiled by previous parties involved with the Medicine Property. To the extent that any of such historical data is inaccurate or incomplete, our exploration plans may be adversely affected.

Operating Hazards and Risks

Mineral exploration and development involves risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations will be subject to hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. We do not currently carry any liability insurance for such risks, electing instead to ensure our contractors have adequate insurance coverage. The nature of these risks is such that liabilities might exceed any insurance policy limits, the liabilities and hazards might not be insurable or we might not elect to insure the Company against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon our financial conditions.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral properties and the area surrounding the properties may be disputed. While we have reviewed and are satisfied with the title to the claims comprising each of the Medicine Property and Del Under Property, and to the best of our knowledge, such title is in good standing, there is no guarantee that such claims will not be challenged or impugned. The Properties may be subject to prior unregistered agreements of transfer and title may be affected by undetected defects.

Management

The Issuer's success is largely dependent upon the performance of its management. The loss of the services of these persons may have a material adverse effect on the Issuer's business and prospects. There is no assurance that it can maintain the service of its management or other qualified personnel required to operate its business.

Environmental Risks and other Regulatory Requirements

The Issuer's current or future operations, including the exploration activities and possible commencement of production on the properties, will require permits from various levels of federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety, and other matters. There can be no assurance that all permits required for facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have a material adverse effect on any exploration and development project which the Issuer might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. The Issuer may be required to compensate those suffering loss or damage by reason of the Issuer's exploration and development activities and may have civil or criminal fines or penalties imposed upon it for violation of applicable laws or regulations.

Amendments to current laws, regulations, and permits governing the operations and activities of mineral companies, or more stringent enforcement thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditure or exploration and development costs or reduction in levels of production at producing properties or require abandonment or delays in development of new properties.

Industry Regulations

We currently operate our business in a regulated industry. There can be no assurance that we may not be negatively affected by changes in each of the countries federal, state or other legislation, or by any decisions or orders of any governmental or administrative body or applicable regulatory authority.

Uninsurable Risks

Exploration of mineral properties involves numerous risks, including unexpected or unusual geological conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company. The Issuer does not currently maintain insurance against environmental risks.

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of the metals or minerals being mined. There is no assurance that even if commercial quantities of mineral resources are discovered, a profitable market will exist for the sale of the same. There can be no assurance that mineral prices will be such that our properties can be mined at a profit. Factors beyond our control may affect the marketability of any minerals discovered.

Competition

Significant and increasing competition exists for mineral opportunities. There are a number of large established mineral exploration companies with substantial capabilities and greater financial and technical resources than the Issuer. The Issuer may be unable to acquire additional mineral properties or acquire such properties on terms considered acceptable.

Conflicts of Interest

The Issuer's directors may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource development. As a result, there may be situations that involve a conflict of interest for such directors. Each director will attempt not only to avoid dealing with such other companies in situations where conflicts might arise but will also disclose all such conflicts in accordance with the BCBCA and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

No Cash Dividends are expected to be paid in the Foreseeable Future.

The Issuer has not declared any cash dividends to date. The Issuer intends to retain any future earnings to finance its business operations and any future growth. As such, the Issuer does not anticipate declaring any cash dividends in the foreseeable future.

Ore Reserves and Reserve Estimates

The Issuer's business relies upon the ability to determine whether a given mineral property has commercial quantities of recoverable minerals. No assurance can be given that any discovered mineral reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral reserve and resource estimates may require revision (either up or down) based on actual production experience.

Risks relating to the Company's Project in Mongolia

Application of and amendments to legislation in Mongolia

The 2006 Minerals Law, which preserves to a limited extent some of the substance of the former 1997 minerals legislation, was drafted with the assistance of legal experts in the area of mining legislation and was widely regarded as progressive, internally consistent and effective legislation. However, the 2006 Minerals Law has been subsequently amended and the potential for political interference has increased and the rights and security of title holders of mineral tenures in Mongolia has been weakened. Certain provisions of the 2006 Minerals Law are ambiguous and it is unclear how they will be interpreted and applied in practice.

In addition, the introduction of new Mongolian laws and regulations and the interpretation of existing ones may be subject to policy changes reflecting domestic political or social changes. For example, on July 16, 2009, the Parliament of Mongolia enacted the Mining Prohibition in Specified Areas Law (the "Specified Areas Law") that prohibits minerals exploration and mining in areas such as headwaters of rivers and lakes, forest areas as defined in the Forest Law of Mongolia and areas adjacent to rivers and lakes as defined in the Water Law of Mongolia.

The Company's ability to carry on business in Mongolia is subject to legal and political risk.

Mineral exploration and mining activities in Mongolia may be affected in varying degrees by political instability, economic conditions, expropriation or nationalization of property and changes in government regulations such as foreign investment laws, tax laws, business laws, environmental laws and mining laws, affecting the Company's business in this country. Government policy may change to discourage foreign investment, nationalization of the mining industry may occur and other government limitations, restrictions or requirements may be implemented. There can be no assurance that the Company's assets will not be subject to nationalization, requisition, expropriation or confiscation, whether legitimate or not, by any authority or body. In addition, there can be no assurance that neighboring countries' political and economic policies in relation to Mongolia will not have adverse economic effects on the development of the Company's assets, including with respect to ability to access power, transport and sell products and access construction labour, supplies and materials. The political, social and economic environment in Mongolia presents a number of serious risks, including: uncertain legal enforcement; invalidation, confiscation, expropriation or rescission of governmental orders, permits, licences, agreements and property rights; the effects of local political, labour and economic developments, instability and unrest; corruption, requests for improper payments or other corrupt practices; and significant or abrupt changes in the applicable regulatory or legal climate.

There is no assurance that provisions under Mongolian law for compensation and reimbursement of losses to investors under such circumstances would be effective to restore the full value of the Company's original investment or to compensate for the loss of the current value of its assets. The Company may be affected in varying degrees by, among other things, government regulations with respect to restrictions on foreign ownership, state ownership of "strategic deposits", royalties, production, price controls, export controls, income and other taxes, expropriation of property, employment, land use, water use, environmental legislation, mine safety and annual fees to maintain mining licenses in good standing. The regulatory environment is in a state of continuing change, and new laws, regulations and requirements may be retroactive in their effect and implementation. There can be no assurance that Mongolian laws protecting foreign investments will not be amended or abolished or that existing laws will be enforced or interpreted to provide adequate protection against any or all of the risks described above.

The legal framework in Mongolia is, in many instances, based on recent political reforms or newly enacted legislation, which may not be consistent with long-standing local conventions and customs. There may be ambiguities, inconsistencies and anomalies in the agreements, licenses and title documents through which the Company holds its assets, or the underlying legislation upon which those assets are based, which are atypical of more developed legal systems and which may affect the interpretation and enforcement of the Company's rights and obligations. Mongolian institutions and bureaucracies responsible for administering laws may lack a proper understanding of the laws or the experience necessary to apply them in a modern business context. Many laws have been enacted, but in many instances they are neither understood nor enforced and may be applied in an inconsistent, arbitrary and unfair manner, while legal remedies may be uncertain, delayed or unavailable. In addition, the Company's licenses, permits and assets may be affected in varying degrees, by political instability and governmental regulations and bureaucratic processes, any one or more of which could preclude the Company from carrying out business activities fairly in Mongolia. Legal redress for such actions, if available, is uncertain and can often involve significant delays.

Mongolia is classified by Global Edge as having a risk rating of D: "a high-risk political and economic situation and an often very difficult business environment can have a very significant impact on corporate payment behavior". Mongolia is rated as having a country risk of 6 on a scale of 7 by the OECD Country risk classification report dated June 23, 2017. On June 29, 2016, the Mongolian People's Party (previously the opposition party) won an overwhelming majority with 65 seats out of 76 seats in the Parliament. On June 26, 2017, a presidential election was held in Mongolia and won by Mr. Battulga Khaltmaagiin from the Democratic Party. When a new government is formed as a result of a Parliamentary election, the government bureaucracy is often restructured. Most government careers are obtained through patronage, loyalty to a political party or politician. These changes can result in gaps in services and the placing unqualified or unskilled people, which can have a negative impact on business operating in Mongolia.

Recent and future amendments to Mongolian laws could adversely affect the Company's interests.

The Government of Mongolia has put in place a framework for foreign direct investment. However, there are political constituencies within Mongolia that have espoused ideas that would not be regarded by the international mining community as conducive to foreign investment if they were to become law or official government policy. This was evidenced by revisions to the Minerals Law in 2006 as well as by the 2012 passage of legislation to control foreign direct investment in strategic sectors of the Mongolian economy, including mining.

In October 2011, Prime Minister Batbold stated that the Government of Mongolia is revisiting all treaties for the avoidance of double taxation, including the 2002 convention between Canada and Mongolia for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital (the "Canadian Double Tax Treaty").

On November 2, 2013, an Investment Law came into effect in Mongolia. The law is aimed at reviving foreign investment by easing restrictions on investors (including foreign and domestic) in key sectors such as mining and by providing greater certainty on the taxes they must pay and certain guarantees in relation to their investments in Mongolia. The full impact of the Investment Law is still not yet known.

On January 16, 2014, the Mongolian Parliament adopted a new State Minerals Policy. The main focus of the policy is to establish a stable investment environment; improve the quality of mineral exploration, mining and processing; encourage the use of environmentally friendly and modern technology; and strengthen the competitiveness of the Mongolian mining sector on the international market. The State Minerals Policy is also intended to serve as the basis for amendments to the existing Minerals Law and other laws relating to the mining sector. On July 1, 2014, the Mongolian Parliament passed the 2014 Amendments to the Minerals Law. In addition, the Mongolian Parliament also passed a separate law which repeals the 2010 statute which imposed a moratorium on the granting of new exploration licences and the transfer of existing licences. The 2014 Amendments extend the maximum period for an exploration licence from 9 years to 12 years (although it ended the three year pre-mining period sometimes given to licence holders upon the expiration of their exploration rights), extend the requirement for holders of mining licences to ensure that 90% of their workforce is comprised of Mongolian nationals to the mining licence holder's subcontractors as well, make clearer the roles and responsibilities of government ministries and departments with respect to mineral matters, modify the definition of Strategic Deposit to reflect its impact on the national economy and not regional economy, and provide for some instances where a tender may not be required to obtain minerals licenses where state funding has been used if related to compensation for declaring a special needs area, among other changes

On February 18, 2015, the Mongolian Parliament adopted the 2015 Amendment, which permits a license holder to negotiate with the Government of Mongolia with respect to an exchange of the Government's 34% (50% in cases where exploration has been funded by the State budget) equity interest in a license holder with a Strategic Deposit for an additional royalty payable to the Government. The amount of the royalty payment would vary depending on the particulars of the Strategic Deposit but cannot exceed 5%. The rate of this royalty payment must be approved by the Government of Mongolia. The full impact of the 2015 Amendment is not yet known.

On November 20, 2016, the Mongolian Parliament adopted the 2016 Amendment, which introduces the term "derivative deposit" and applicable regulations for mining/exploitation of derivative deposits. Mining/exploitation of a derivative deposit by a license holder or any other contracted third party (with the licence holder) is subject to license. Further, the 2016 Amendment sets the royalty payment for mining/exploitation of a derivative deposit at 2.5% of the sales value, with an additional royalty of between 0% and 5% for gold if it is sold other than to the Central Bank of Mongolia.

The Ministry of Mining is currently working on a draft mining law, aimed at regulating the mining sector in greater detail in Mongolia. The Ministry plans to propose this law to Parliament in 2017 for adoption. If adopted, the draft mining law could adversely affect the Company's interests. It is not possible to determine when, if ever, this draft law will be adopted and in what form.

The Ministry of Finance and certain Members of Parliament have released draft laws and draft amendments to the tax legislation of Mongolia which include provisions related to the taxation of foreign legal entities operating in Mongolia and minerals companies in general. If certain provisions of these amendments were adopted by Parliament as currently drafted, they could adversely affect the Company's interests. It is not possible to determine when, if ever, these amendments would be adopted and in what form.

If the Government of Mongolia revises, amends or cancels the Canadian Double Tax Treaty; if the Investment Law, State Minerals Policy, 2014 Amendments, 2015 Amendment, 2016 Amendment or new mining law are implemented or interpreted in a manner that is not favorable to foreign investment or the Company's interests; or if new tax laws or amendments to tax laws are adopted that are not favorable to foreign investment or the Company's interests, it could have an adverse effect on the Company's operations in Mongolia and future cash flow, earnings, results of operations and financial condition as well as the Company's share price.

Mineral Deposit of Strategic Importance.

Under the 2006 Minerals Law, the Parliament of Mongolia has wide discretion to designate mineral deposits to be Mineral Deposits of Strategic Importance. The Government of Mongolia is empowered to participate on an equity basis with the license holder in the exploitation and/or mining of each Mineral Deposit of Strategic Importance on terms to be negotiated between the Government of Mongolia and such license holder. Details of any minerals reserves must be filed by the relevant license holder with the Government of Mongolia, and those deposits on the Strategic Deposits list represent most of the largest and highest profile deposits in Mongolia. In addition to deposits currently on the Strategic Deposits list and the additional tier 2 deposits list, the Parliament of Mongolia may at any time designate other deposits not yet currently on such lists to be Mineral Deposits of Strategic Importance, add such deposits to either the Strategic Deposits list or the tier 2 deposits list and, in the former case, commence negotiations with the relevant license holder with respect to the terms under which the Government of Mongolia will take an interest in such deposit. While the Government of Mongolia is in the process of adding the exact location and coordinates for each Mineral Deposit of Strategic Importance, a number of deposits on the Strategic Deposits list are identified by name only with no indication of the latitude and longitude coordinates for the deposit, and it is therefore not always possible to precisely determine the intended geographic area covered by each designated Mineral Deposit of Strategic Importance or to accurately determine whether or not any given license area is within, or overlaps, a Mineral Deposit of Strategic Importance.

Under the 2006 Minerals Law, the size of the Government of Mongolia's participation is determined largely by the level of state funding which has been provided for the exploration and development of any deposit, with the Government of Mongolia entitled to participate up to 50% in the event that there has been state funding of such deposit and up to 34% if there has not. However, the 2006 Minerals Law is very vague as to the details and method by which the Government of Mongolia will take its interest and the final arrangements in respect of the Government of Mongolia's interest in each Mineral Deposit of Strategic Importance, including the amount of compensation to be paid to the license holder and the actual form of the Government of Mongolia's interest are subject to negotiation between the Government of Mongolia and the license holder. In 2015, the Parliament of Mongolia adopted an amendment to the

2006 Minerals Law providing for the possibility for the Government to collect a special royalty on Mineral Deposits of Strategic Importance in lieu of holding an equity stake in such deposit. It stipulates that the parties can agree to transfer to the license holder the state's share in the Mineral Deposit of Strategic Importance upon the approval of an authorized Government body, with the license holder agreeing to pay a special royalty at a percentage (not to exceed 5%) to be approved by the Government of Mongolia.

The 2006 Minerals Law also contains provisions requiring any company which holds a Mineral Deposit of Strategic Importance to list no less than 10% of its shares on the Mongolian Stock Exchange. This particular provision of the 2006 Minerals Law has not yet been enforced and it is not clear how it will work in practice.

In recent years there have been a number of proposed amendments to the 2006 Minerals Law suggested by various parties, many of which have centered on amending the 2006 Minerals Law to increase the Government of Mongolia’s participating interest in excess of 50%. While the 2006 Minerals Law provides that the interest of the Government of Mongolia should take the form of an equity interest, based on past practice, and depending on the results of individual negotiations, the interest may be in the form of production or profit sharing or some other arrangement negotiated between the licence holder and the Government of Mongolia. There can be no assurance that legislation will not be enacted which further strengthens the Government of Mongolia’s right to participate in privately held mineral resources in Mongolia.

Compliance with Anti-Corruption Laws

The Company's operations will be governed by, and will involve interaction with, many levels of government in Mongolia. The Company will be subject to various anti-corruption laws and regulations such as the Canadian *Corruption of Foreign Public Officials Act*, which prohibit a company and its employees or intermediaries from bribing or making improper payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. According to Transparency International, Mongolia is perceived as having fairly high levels of corruption relative to Canada. The Company cannot predict the nature, scope or effect of future regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted.

Failure to comply with the applicable anti-corruption laws and regulations could expose the Company and its senior management to civil or criminal penalties or other sanctions, which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, reputation, financial condition and results of operations. While the Company may adopt policies to mitigate such risks, such measures may not be effective in ensuring that the Company, its employees or third-party agents will comply with such laws.

Tax legislation in Mongolia is subject to varying interpretations and changes

Mongolian tax, currency and customs legislation is subject to varying interpretations and changes, which can occur frequently. The interpretation by the Company of such legislation as applied to the transactions and activity of the Company may be challenged by the relevant authorities.

The Mongolian tax authorities may be taking a more assertive position in their interpretation of the legislation and assessments, and it is possible that transactions and activities that have not been challenged in the past may be challenged by tax authorities. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

The Mongolian tax legislation does not provide definitive guidance in certain areas, specifically in areas such as VAT, withholding tax, corporate income tax, personal income tax, transfer pricing and other areas. The Company may from time to time adopt interpretations of such uncertain areas that reduce the overall tax rate of the Company. However, such tax positions may come under heightened scrutiny as a result of recent developments in administrative and court practices. The impact of any challenge by the tax authorities cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the entity in question.

<u>The Company does not insure against all risks to which it may be subject in planned operations and insurance coverage could prove inadequate to satisfy potential claims.</u>

For certain aspects of the Company's business operations, insurance coverage, in particular business interruption insurance, is restricted or prohibitively expensive. No assurance can be given that the Company will elect or be able to obtain insurance coverage at economically reasonable premiums (or at all), or that any coverage it obtains will be adequate to cover the extent of any claims brought against it.

18. PROMOTER CONSIDERATION

Albert (Rick) Timcke may be considered to be the promoter of the Company. He holds 5,602,800 Shares (representing 12.41% of the current outstanding Shares; see "Principal Shareholders). As of the date of this Listing Statement, Mr. Timcke holds no Warrants or incentive stock options under the Company's Stock Option Plan. No assets have ever been acquired or are to be acquired by the Company from the promoter.

Mr. Timcke is not, as at the date hereof, nor has he been within 10 years before the date hereof, a director, chief executive officer, or chief financial officer of any person or company that:

a) was subject to an order that was issued while the promoter was acting in the capacity as director, chief executive officer or chief financial officer; or

b) was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer,

other than Mr. Timcke was a director and executive officer of the Issuer while it was subject to the Cease Trade Orders (revoked as of November 9, 2017).

19. LEGAL PROCEEDINGS

As of the date of this Listing Statement, the Issuer is not a party to any legal proceedings or any regulatory actions. No legal proceedings are contemplated by the Issuer, and the Issuer is not aware of any material legal proceedings being contemplated against it.

The Issuer has not be subject to any penalties or sanctions imposed against it by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this Listing Statement, other than the Ceases Trade Orders (which were revoked November 9, 2017).

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or executive officer of the Issuer, or any person who has direct or indirect beneficial ownership of, or who exercises control or direction over, more than 10% of the Issuer's outstanding Shares, nor any associate or affiliate of any of such persons or companies, has had any interest in any transaction within the three years preceding the date of this Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditor

The auditors of the Issuer are Davidson & Company LLP, Chartered Professional Accountants, of Suite 1200 – 609 Granville Street, Vancouver, BC V7Y 1G6.

Transfer Agent and Registrar

The Issuer's register and transfer agent is Computershare Trust Company of Canada, 2nd Floor, 510 Burrard Street, Vancouver, BC V6C 3B9.

22. MATERIAL CONTRACTS

During the three years preceding the date of this Listing Statement, other than contracts entered into in the ordinary course of business or the agreements described elsewhere in this Listing Statement, the Issuer has entered into the following two material agreements:

1. The Del Under Property Earn-In Agreement dated June 17, 2017 between EMIC and the Company whereby the Company can earn up to 100% interest in the Del Under Property for aggregate consideration of (i) cash payments of C$500,000, (ii) issuing 11,428,571 Shares (20,000,000 pre-Consolidation shares),, and (iii) incurring exploration expenditures totaling C$2,000,000, all over a four year term.

2. The Medicine Property Option Agreement dated August 20, 2017 between the Medicine Property Owners and the Company whereby the Company was granted the option to acquire 100% of the Medicine Property for aggregate consideration of (i) cash payments of US$950,000, (ii) issuing shares having a value of US$250,000, and (iii) incurring exploration expenditures totaling US$2,700,000, all over a six year term.

23. INTEREST OF EXPERTS

The only persons who are named as having prepared or certified a part of this Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement are (i) the Company's auditors, Davidson & Company LLP; and (ii) the Author of the Technical Report.

No direct or indirect interest in any property of the Issuer or of a Related Person of the Issuer has been received or is to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this

Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement.

24. OTHER MATERIAL FACTS

There are no other material facts that are not disclosed under the preceding items and that are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

25. FINANCIAL STATEMENTS

Attached hereto are the following financial statements of the Issuer:

(i) audited financial statements for the fiscal years ended April 30, 2018 and 2017 – Schedule “E”;

(ii) audited financial statements for the fiscal years ended April 30, 2016 and 2015 - Schedule “G”;

(iii) unaudited financial statements for the three months ended July 31, 2018 - Schedule “C”;

Additional historical financial statements for the Issuer can be found under the Issuer’s profile on SEDAR.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, **Northern Lights Resources Corp.** (the "Issuer") hereby applies for the listing of its common shares on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to the Issuer. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at _______________, this 22nd day of October, 2018.

"Jason Bahnsen"	*"Leon Ho"*
Jason Bahnsen, CEO	Leon Ho, CFO
"Rick Timcke"	*"Graham Keevil"*
Albert (Rick) Timcke, Promoter	Graham Keevil, Director
"Rickard Kelartas"	
Richard Kelertas, Director	

SCHEDULE "A"

Summary of the Technical Report

The following is a summary of the technical report of the Medicine Property entitled "NI 43-101 Technical Report - Medicine Property" dated January 15, 2018 and prepared by Robert A Lunceford CPG, M.Sc   A copy of the full Technical Report can be found under the Company's profile on SEDAR.

The Medicine Springs Property (the "Property") consists of 149 unpatented mineral claims (1,206 hectares) located in the Ruby Valley/Medicine Range area of southeastern Elko County in Nevada, USA, in Township 28 N, Range 60 and 61 E. The Company holds an option to lease 100% of the Property through an agreement (the "Option Agreement") with Herb Duerr and Steve Sutherland, both of Reno, Nevada.

The Property represents a consolidation of 23 claims previously held directly by Mr. Sutherland and 126 claims that were previously owned by subsidiaries of Newmont Mining Company that were acquired by Messrs. Duerr and Sutherland in 2013. The consolidation of the Medicine Claims is important because the program described within this Report will be the first undertaken in which the entire district is united and can be evaluated as one integrated project with the benefit of the accumulated geological, geochemical, drilling and geophysical data.

The Property lies along the contact between the Triassic-age Park City Group and the Permian-age Gerster Formation (subdivided into upper and lower members) in an environment within the greater region which includes silver and gold in veins, Carlin - style disseminated deposits, copper and polymetallic skarns, and stratabound breccias, and jasperoids. The primary target is silver-zinc-lead-barite oxide mineralized material localized along NW and NNE trending fault and fracture systems and hosted by porous/reactive horizons in Permian silty/sandy limestones. The mineralized zones are expressed as breccias, jasperoid, decalcification, and oxidized barite-bearing rubble. The mineralized material is known to be oxidized to the maximum depth of the data available, approximately 190 meters. The oxide Ag-Pb-Zn mineralization may overlie sulfide-rich mineralization which has not yet been encountered in the relatively shallow drill holes completed to date.

The Company has not commenced exploration programs within the Property but benefits from a heritage of work completed by three companies including four phases of drilling, geological mapping, rock and soil geochemistry, preliminary metallurgical work, CSAMT geophysical surveys and historic mining. The results of these previous work programs justify a systematic exploration program described within this Technical Report with a proposed Phase I budget totaling $250,000. If warranted by successful Phase I results, a second Phase II preliminary budget of $1,200,000 is contemplated.

Based on the existing data and continuing surface work, a program of systematic reverse circulation and diamond drilling is contemplated. This initial program would involve drilling in one or more strategic angle holes along the Golden Pipe trend and one to two holes to test the strike extension to the south. Careful consideration of the 1997 Cominco CSAMT data should guide drilling in the pediment which covers the northern third of the Property.

In conclusion, the Medicine Springs Property is an advanced exploration project with extensive drilling and many significant silver-zinc-lead intercepts. The zone of mineralization is oxidized to depths in excess of 190 meters and is open to expansion along strike in favorable horizons and laterally in silicified reactive Permian limy siltstones. The system is well-developed as deep as it has been drilled and older favorable rock types have potential for similar mineralized material, possibly in sulfide form as deep as the Company chooses to explore. This is a consistent pattern in replacement deposits observed in the Great Basin, Arizona and in the Central Interior as well as the famous Cerro de Pasco district in Peru.

SCHEDULE "B"
STATEMENT OF EXECUTIVE COMPENSATION

This Schedule sets forth the compensation paid by the Issuer to its Named Executive Officers and directors during the past two fiscal years.

For the purpose of this document:

"**CEO**" means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**CFO**" means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

"**Named Executive Officer**" or "**NEO**" means: (a) a CEO; (b) a CFO; (c) the Company's most highly compensated executive officers, including any of the Company's subsidiaries, or the most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than $150,000 as determined in accordance with subsection 1.3(5) of the Form, for that financial year; and (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

During the financial years ended April 30, 2017 and 2018, the Company had the following Named Executive Officers:

- Graham Keevil, CEO from March 23, 2015 to April 30, 2017;
- Albert (Rick) Timcke, President and Chairman from April 30, 2017; and CFO to December 8, 2017.
- Jason Bahnsen, CEO from November 14, 2017.
- Leon Ho, CFO from December 8, 2017.

All dollar amounts referenced herein are Canadian Dollars unless otherwise specified.

Overview of Compensation Paid to NEOs and Directors

During the fiscal year ended April 30, 2017 (as with the fiscal years ended April 30, 2016, 2015 and 2014), the Company was subject to the Cease Trade Orders. Further, on October 31, 2013, the Canadian Securities Exchange (CSE) halted trading of the Company's shares due to the Company being in default of CSE requirements; and on January 22, 2014 the CSE delisted the Company's shares.

Correspondingly, the Company was relatively inactive during the fiscal years ended April 2014, 2015, 2016 and 2017; however the Company did become more active in the latter part of fiscal 2017 as the Company made plans to apply for revocations of the CTOs and to seek new business opportunities.

There has been only nominal compensation paid (or accrued) during each of the past two fiscal years. There have been no other forms of compensation paid or that remain payable, including stock options.

Oversight and Description of Director and Named Executive Officer Compensation

Current Status:

There was no compensation committee or other committee that oversaw or advised with respect to executive and director compensation. All decisions regarding NEO and director compensation were made by the board of directors.

Compensation was determined as being the minimum amount required to keep the NEOs involved with the Company, to provide their minimum attention and service to keep the Company alive, and to compensate for the risks and stigma associated with being a NEO of a cease traded entity.

Anticipated Future Status:

Going forward, and following revocation of the CTOs, the Company anticipates appointing additional directors and forming a compensation committee which will be responsible for assisting the Board in monitoring, reviewing and approving compensation policies and practices of the Company and its subsidiaries and administering the Company's stock option plan.

With regard to the CEO, the compensation committee will be responsible for reviewing and approving corporate goals and objectives relevant to the CEO's compensation, evaluating the CEO's performance in light of those goals and objectives and making recommendations to the Board with respect to the CEO's compensation level based on this evaluation. In consultation with the CEO, the compensation committee will make recommendations to the Board on the framework of executive remuneration and its cost and on specific remuneration packages for each of the directors and officers other than the CEO, including recommendations regarding awards under equity compensation plans.

The Company's compensation philosophy for executive officers is expected to follow three underlying principles:

(a) to provide compensation packages that encourage and motivate performance;

(b) to be competitive with other companies of similar size and scope of operations so as to attract and retain talented executives; and

(c) to align the interests of its executive officers with the long-term interests of the Company and its shareholders through stock related programs.

When determining compensation policies and individual compensation levels for the Company's executive officers, the Company expects to take into consideration a variety of factors, including the overall financial and operating performance of the Company, and the Board's overall assessment of:

(a) each executive officer's individual performance and contribution towards meeting corporate objectives;

(b) each executive officer's level of responsibility,

(c) each executive officer's length of service; and

(d) industry comparables.

In keeping with the above philosophies, the Company expects to adopt a model that will include both base salary or consulting fees and "at-risk" compensation, comprised of participation in the Company's stock option plan, as described below. In addition, the Company may award performance bonuses based on executives meeting short-term or long-term performance milestones.

Base salary or consulting fee levels will reflect the fixed component of pay that compensates executives for fulfilling their roles and responsibilities and assists in the attraction and retention of highly qualified executives. Base amounts will be reviewed annually to ensure they reflect each respective executive's performance and experience in fulfilling his or her role and to ensure executive retention. Currently base salaries and consulting fees are set at below industry standard levels, which is reflective of the Company's lack of monetary resources, and the relative lack of business activity associated with the Company. Monetary compensation will be supplemented with the provision of stock options (see below for description). Salaries and consulting fee levels will be reviewed and revised as the Company grows.

Stock Options

The Company has a 10% rolling stock option plan in place. No options have been granted in the past four fiscal years due to the CTOs being in place; and no stock options remain outstanding as of the date of this document. Stock options are intended to align executive interests with those of shareholders by tying compensation to share performance and to assist in retention through vesting provisions. Grants of stock options will be based on:

(a) the executive's performance;

(b) the executive's level of responsibility within the Company;

(c) the number and exercise price of options previously issued to the executive;

(d) the difference between the executive's salary and that paid by comparable companies; and

(e) the overall aggregate total compensation package provided to the executive.

Options are typically granted on an annual basis in connection with the review of executives' compensation packages. Options may also be granted to executives upon hire or promotion and as special recognition for extraordinary performance.

Director and Named Executive Officer Compensation

The following table (presented in accordance with the Form) sets forth all annual and long term compensation for services paid to or earned by each NEO and director for the two most recently completed financial years ended April 30, 2018, excluding compensation securities.

Name and position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compen-sation ($)	Total compen-sation ($)
Graham Keevil[1] *CEO and Director*	2017 2018	60,000 nil	nil nil	nil nil	nil nil	nil nil	60,000 nil
Albert (Rick) Timcke[2] *CFO, President, Director*	2017 2018	60,000 60,000	nil nil	nil nil	nil nil	nil nil	60,000 60,000
Jason Bahnsen[3] *CEO and Director*	2017 2018	n/a 27,500	n/a nil	n/a nil	n/a nil	n/a nil	n/a 27,500
Leon Ho[4] *CFO, Director*	2017 2018	n/a 3,000	n/a nil	n/a nil	n/a nil	n/a nil	n/a 3,000
Richard Kelertas[5] *Director*	2017 2018	n/a nil	n/a nil	n/a nil	n/a nil	n/a nil	n/a ●
Gordon Tainton[6] *Director*	2017 2018	n/a nil	n/a nil	n/a nil	n/a nil	n/a nil	n/a ●
Jim Kermeen[7] *Former Director*	2017 2018	nil n/a	nil n/a	nil n/a	nil n/a	nil n/a	nil n/a
Dennis Espadilla[8] *Former Director*	2017 2018	nil n/a	nil n/a	nil n/a	nil n/a	nil n/a	nil n/a

1. Served as CEO of the Company from March 23, 2015 to April 30, 2017. Paid or accrued management fees of $60,000 per year in his capacity as CEO. At April 30, 2018, the Company owed Mr. Keevil $nil (2017 - $131,250) recorded in accounts payable. On April 30, 2017 Mr. Keevil stepped down as CEO, but remained as a Director.

2. Served as CFO of the Company until December 8, 2017; and served as President and Chairman since April 30, 2017. Paid or accrued management fees of $60,000 per year. At April 30, 2018, the Company owed Rick Timcke $nil (2017 - $259,733) recorded in accounts payable.

3. Mr. Bahnsen became a director and CEO on November 14, 2017.
4. Mr. Ho was appointed as CFO on December 8, 2017.
5. Mr. Kelertas became a director on December 1, 2017.
6. Mr. Tainton became a director on December 8, 2017.
7. Mr. Kermeen resigned as a director on March 1, 2017.
8. Mr. Espadilla resigned as a director on April 30, 2017.

Stock Options and Other Compensation Securities

The only compensation plan available to the Company for its NEOs and directors during the financial years ended April 30, 2017 and 2018 was the incentive stock option plan. During those financial years the Company did not grant any stock options to its directors or NEO for services provided or to be provided, directly or indirectly, to the Company.

During the financial years ended April 30, 2017 and 2018, no incentive stock options were exercised by any NEO or director. As of April 30, 2018 there were no stock options outstanding (nil as of April 30, 2017).

The only stock option plan or other incentive plan the Company currently has in place is a 10% "rolling" stock option plan (the "Plan"), which authorizes the Board to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company, from time to time. The underlying purpose of the Plan is to attract and motivate the directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through rights granted under the Plan.

Material Terms of the Stock Option Plan

The Plan provides that the terms of the options and the option price may be fixed by the Board subject to the price restrictions and other requirements of the CSE. The Plan also provides that no option may be granted to any person except upon the recommendation of the Board, and only directors, officers, employees, consultants and other key personnel of the Company or any subsidiary may receive options. Options granted under the Plan may not be exercisable for a period longer than ten years and the exercise price must be paid in full upon exercise of the option.

The Plan is subject to the additional following restrictions:

(a) the Company shall not grant options to any one person in any 12 month period which could, when exercised, result in the issuance of common shares exceeding 5% of the issued and outstanding common shares of the Company;

(b) if any option expires or otherwise terminates for any reason without having been exercised in full, the number of common shares in respect of which the option expired or terminated shall again be available for the purposes of the Plan;

(c) if an option holder dies, any vested option held by him or her at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors for not less than 90 days after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option;

(d) if an option holder ceases to be a director, officer or employed by or provide services to the Company, other than by reason of death, the options granted will expire on the 90th day following the date the option holder ceases to be affiliated with the Company, subject to any regulatory requirements;

(e) all options granted to consultants performing investor relations activities will vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period; and

(f) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all common shares under the Plan in respect of options which have not yet been granted under the Plan, subject to regulatory approval.

The Company has no other form of compensation plan under which equity securities of the Company are authorized for issuance to employees or non-employees in exchange for consideration in the form of goods and services.

Employment, Consulting and Management Agreements

There are three management agreements or arrangements in place under which compensation is provided:

(a) agreement with Albert (Rick) Timcke, Director, Executive Chairman and President, pursuant to which Mr. Timcke will receive a monthly salary of $7,500,

(b) agreement with Jason Bahnsen, Director and Chief Executive Officer, pursuant to which Mr. Bahnsen will receive a monthly salary of $7,500, and

(c) agreement with Leon Ho, Chief Financial Officer, pursuant to which Mr. Ho will receive a monthly salary of $1,000.

Pension disclosure

The Company does not provide any form of pension to any of its directors or Named Executive Officers.

SCHEDULE "C"

UNAUDITED FINANCIAL STATEMENTS OF THE ISSUER
FOR THE THREE MONTHS ENDED JULY 31, 2018

[inserted as pages following]

NORTHERN LIGHTS RESOURCES CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

July 31, 2018

Head Office
Suite 1000 – 355 Burrard Street
Vancouver, BC
V6C 2G8
Canada

Registered and Records Office
Suite 2900 – 595 Burrard Street
Vancouver, BC
V7X 1J5
Canada

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

NORTHERN LIGHTS RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
AS AT

	July 31, 2018	April 30, 2018
ASSETS		
Current		
Cash	$ 10,510	$ 30,208
Receivables	5,133	4,083
Prepaid expenses	10,916	10,316
	26,559	44,607
Equipment (Note 3)	1,436	1,512
Exploration and evaluation assets (Note 4)	101,498	65,069
	$ 129,493	$ 111,188
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Accounts payable and accrued liabilities (Note 5)	$ 159,116	$ 109,503
Loans payable (Notes 6)	6,512	6,386
	165,628	115,889
Shareholders' deficiency		
Share capital (Note 7)	3,952,943	3,952,943
Share-based payment reserve	138,500	138,500
Subscription received in advance (Note 7)	77,000	12,000
Deficit	(4,204,578)	(4,108,144)
	(36,135)	(4,701)
	$ 129,493	$ 111,188

Nature and continuance of operations (Note 1)
Subsequent event (Note 12)

On behalf of the Board:

"Albert (Rick) Timcke" Director

"Jason Bahsen" Director

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

NORTHERN LIGHTS RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Three months period ended July 31, 2018	2017
EXPENSES		
Amortization	$ 76	$ 94
Filing and regulatory fees	1,420	-
Interest expense	126	-
Management fees (Note 8)	30,000	15,000
Office and miscellaneous	47,656	2,792
Professional fees	9,732	(3,125)
Travel and promotion	7,424	3,072
Reversal of accounts payable	-	(1,200)
Loss and comprehensive loss for the period	$ (96,434)	$ (16,633)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding	33,556,832	26,437,152

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

NORTHERN LIGHTS RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Number of shares	Share Capital	Share-based payment reserve	Subscription received in advance	Deficit	Total Shareholders' Equity (Deficiency)
April 30, 2017	15,106,948	$ 2,674,365	$ 138,500	$ -	$ (3,738,971)	$ (926,106)
Loss for the period	-	-	-	-	(16,633)	(16,633)
July 31, 2017	15,106,948	2,674,365	138,500	-	(3,755,604)	(942,739)
Debt settlements (Note 7)	18,449,884	1,278,578	-	-	-	1,278,578
Subscription received in advance	-	-	-	12,000	-	12,000
Loss for the period	-	-	-	-	(352,540)	(352,540)
April 30, 2018	33,556,832	3,952,943	138,500	12,000	(4,108,144)	(4,701)
Subscription received in advance	-	-	-	65,000	-	65,000
Loss for the period	-	-	-	-	(96,434)	(96,434)
July 31, 2018	33,556,832	$ 3,952,943	$ 138,500	$ 77,000	$ (4,204,578)	$ (36,135)

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

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED JULY 31,

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (96,434)	$ (16,633)
Non-cash items:		
Amortization	76	94
Loan interest accrual	126	2,931
Reversal of accounts payable	-	(1,200)
Changes in non-cash working capital items:		
Receivables	(1,050)	(801)
Prepaid expenses	(600)	(5,000)
Accounts payable and accrued liabilities	49,613	(25,089)
Net cash used in operating activities	(48,269)	(45,698)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(36,429)	-
Net cash used in financing activities	(36,429)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds	-	136,154
Subscription received in advance	65,000	-
Net cash provided by financing activities	65,000	136,154
Change in cash for the period	(19,698)	90,456
Cash, beginning of period	30,208	63
Cash, end of period	$ 10,510	$ 90,519
Cash paid for interest	$ -	$ -
Cash paid for income taxes	-	-
Supplemental disclosure with respect to cash flows (non-cash transactions)		
Exploration and evaluation asset expenditures included in accounts payable	$ -	$ 30,000

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Northern Lights Uranium Corp. (the "Company") was incorporated under the laws of British Columbia on March 28, 2007. On April 22, 2008, the Company changed its name to Northern Lights Resources Corp. The Company's principal business activities include the acquisition and exploration of resource properties. On June 28, 2012, the Company completed its initial public offering ("IPO") by way of prospectus, and a listing on the Canadian Securities Exchange ("CSE"). On October 31, 2013, the CSE halted the shares of the Company due to the Company being in default of CSE requirements. On January 22, 2014, the CSE delisted the common shares. The common shares remain delisted. On November 9, 2017 revocation orders were received from the British Columbia Securities Commission and the Ontario Securities Commission lifting the cease trade orders previously issued on September 10, 2013 and September 24, 2013, respectively. On November 10, 2017 a revocation order was received from the Alberta Securities Commission lifting the final cease trade order previously issued on December 10, 2014. The Company has submitted a listing statement and will advise all shareholders when the resumption of trading may occur.

The Company expects its current capital resources will not be sufficient to complete its exploration plans and operations through its current operating year and will be required to raise additional funds through future equity issuances. The Company's ability to continue as a going concern is therefore dependent on its ability to raise additional funds through equity issuances. These material uncertainties may cast significant doubt on the entity's ability to continue as a going concern.

These condensed interim financial statements have been prepared on a going concern basis 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. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been recorded at fair value. The financial statements are presented in Canadian dollars which is the functional currency of the Company.

These condensed consolidated interim financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

The policies applied in these condensed interim financial statements are presented below and are based on IFRS issued and outstanding as of July 31, 2018. Any subsequent changes to IFRS that are given effect in our annual consolidated financial statements for the year ending April 30, 2019 could result in restatements of these condensed consolidated interim financial statements. None of these standards are expected to have a significant effect on the condensed interim financial statement.

The Board of Directors approved these financial statements on September 18, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Comprehensive income

Comprehensive income (loss) reflects the net gain (loss) and other comprehensive income (loss) for the period. Other comprehensive income (loss) includes changes in unrealized foreign currency translation amounts arising from self-sustaining foreign operations, unrealized gains and losses on available-for-sale assets and changes in the fair value of derivatives designated as cash flow hedges to the extent they are effective.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is provided on a declining balance basis at 20% per annum for furniture and equipment.

Estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

<u>Significant Judgments</u>

a. Economic recoverability and probability of future benefits of exploration and evaluation costs

   Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessment of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

b. Deferred taxes

   The Company recognizes the deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred income and resource tax assets.

<u>Significant Estimates</u>

a. Share-based payments

   Share-based payments are determined using the Black-Scholes option pricing model based on the estimated fair value of all share-based awards at the date of grant and is expensed to the statement of loss and comprehensive income (loss) over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Loss per share

The Company computes the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Basic loss per common share is calculated using the weighted average number of common shares outstanding during the period.

Exploration and evaluation assets

Upon acquiring the legal right to explore an exploration and evaluation asset, costs related to acquisition, exploration and evaluation are capitalized by property. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets are written down to their net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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 years. A reversal of an impairment loss is recognized immediately in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year.

Share-based payments

The Company grants stock options to acquire 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 fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Income taxes (cont'd…)

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Financial instruments – recognition and measurement

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets 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 through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - 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 investment 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 through profit or loss.

Available-for-sale - 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 through other comprehensive income (loss).

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

The Company has classified its cash at fair value through profit and loss. The Company's receivables are classified as loans and receivables.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through 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 through profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method.

The Company's accounts payable and accrued liabilities and loans payable are classified as other financial liabilities.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Recent accounting pronouncements not yet effective

Accounting Standards Issued and Effective for fiscal years beginning on or after January 1, 2018.

IFRS 9 *Financial Instruments* replaces the current standard IAS 39 Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value.

The Company does not expect the adoption of the standard to have a material impact on its financial statements.

3. EQUIPMENT

		Furniture and equipment
Cost		
Balance at April 30, 2017	$	14,150
Addition		-
Balance at April 30, 2018		14,150
Addition		-
Balance at July 31, 2018	$	14,150
Accumulated amortization		
Balance at April 30, 2017	$	12,260
Amortization		378
Balance at April 30, 2018		12,638
Amortization		76
Balance at July 31, 2018	$	12,714
Carrying amounts		
At April 30, 2018	$	1,512
At July 31, 2018	$	1,436

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Del Undur Project	Medicine Springs	Total
Acquisition Costs:			
Balance at April 30, 2017 and 2018	$ 10,830	$ 31,843	$ 42,673
Cash	-	33,179	33,179
Balance at July 31, 2018	10,830	65,022	75,852
Deferred Exploration Costs:			
Balance at April 30, 2017	$ -	$ -	$ -
Consulting	-	22,396	22,396
Balance at April 30, 2018	-	22,396	22,396
Consulting	-	3,250	3,250
Balance at July 31, 2018	-	25,646	25,646
Total	$ 10,830	$ 90,668	$ 101,498

Del Undur Project

The Company entered into an earn-in agreement dated June 17, 2017 whereby the Company can earn up to 100% interest in the property located in north-eastern Mongolia for aggregate consideration of (i) cash payments of $500,000, (ii) issuing 20,000,000 shares, and (iii) incurring exploration expenditures totaling $2,000,000, all over a four year term. In addition, the property owner will retain a 2.0% net smelter return royalty ("NSR") of which the Company has the option to buy back 1% for $1,000,000.

Medicine Springs

The Company entered into a mineral property option agreement dated August 20, 2017 to acquire 100% of the property in southeastern Elko County, Nevada for aggregate consideration of the following:

i) Cash payments
   a) USD $25,000 on or before the first anniversary of the date of execution ("Execution Date") (paid).
   b) USD $50,000 on or before the second anniversary of the Execution Date.
   c) USD $100,000 on or before the third anniversary of the Execution Date.
   d) USD $150,000 on or before the fourth anniversary of the Execution Date.
   e) USD $200,000 on or before the fifth anniversary of the Execution Date.
   f) USD $425,000 on or before the sixth anniversary of the Execution Date.

ii) Share issuance
   a) issuance of common share with a fair market value of USD $50,000 on or before the second anniversary of the Execution Date.
   b) issuance of common share with a fair market value of USD $50,000 on or before the third anniversary of the Execution Date.
   c) issuance of common share with a fair market value of USD $50,000 on or before the fourth anniversary of the Execution Date.

(Expressed in Canadian Dollars)

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

d) issuance of common share with a fair market value of USD $50,000 on or before the fifth anniversary of the Execution Date.
e) issuance of common share with a fair market value of USD $50,000 on or before the sixth anniversary of the Execution Date.

iii) Exploration expenditures
a) incur USD $25,000 in exploration upon execution of the agreement (incurred).
b) incur USD $225,000 in exploration on or before the first anniversary of the Execution Date (subsequently incurred).
c) incur USD $300,000 in exploration on or before the second anniversary of the Execution Date.
d) incur USD $400,000 in exploration on or before the third anniversary of the Execution Date.
e) incur USD $500,000 in exploration on or before the fourth anniversary of the Execution Date.
f) incur USD $500,000 in exploration on or before the fifth anniversary of the Execution Date.
g) incur USD $750,000 in exploration on or before the sixth anniversary of the Execution Date.

In addition, the property owner will retain a 2.5% NSR. The Company has the option to purchase back 1.5% of the NSR for US$3,000,000 on a portion of the mineral claims (126,149) and US$1,000,000 on a portion of the mineral claims (23/149). The royalty to the project vendors is in addition to a further 0.5% royalty over a portion of the mineral claims (23/149).

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	July 31, 2018	April 30, 2018
Trade payables	$ 93,553	$ 93,553
Accrued liabilities	15,950	15,950
	$ 109,503	$ 109,503

During the year ended April 30, 2018, the Company:

i) entered into an agreement with a creditor to settle an outstanding amount of $35,700 for $9,711, resulted in a gain on settlement of accounts payable of $25,989.

ii) issued 7,050,469 common shares to settle an aggregate of $616,916 in accounts payable and accrued liabilities (Note 7).

6. LOANS PAYABLE

During the year ended April 30, 2016, the Company received a $5,000 loan accruing 10% interest per annum, repayable on the earlier of July 23, 2016 and the date the Company completes its next private placement. During the year ended April 30, 2017, the Company missed the repayment date and interest continues to accrue. As of July 31, 2018, the loan payable total was $6,512 (April 30, 2018 - $6,386) and accrued interest expenses of $126 during the period ended July 31, 2018.

During the year ended April 30, 2018, a loan payable to a director of the Company was settled through the issuance of 2,445,085 shares (Note 7). As of April 30, 2018, the loan payable was $Nil (April 30, 2018 - $Nil).

(Expressed in Canadian Dollars)

6. LOANS PAYABLE (cont'd…)

During the year ended April 30, 2018, the Company received loans totaling $354,154. The loans accrued interest at 12% per annum, repayment on the earlier of April 1, 2018 and the date the Company completes its next private placement. The loans accrued interest expense of $22,732. The loans and accrued interest were fully settled through the issuance of 8,954,330 shares (Note 7). As of April 30, 2018, the loans payable total was $Nil.

7. SHARE CAPITAL

Authorized: Unlimited common shares, without par value

During the period ended July 31, 2018, the Company:

i) received subscription proceeds of $65,000 towards the issuance of 650,000 units, with each unit consisting of one common share and share purchase warrant, each warrant exercisable into one common share at a price of $0.20 per share for a period of 24 months.

During the year ended April 30, 2018, the Company:

i) consolidated its common shares on a 1.75 to 1 basis. All references to previous share and per share amounts have been adjusted to reflect the share consolidation.

ii) issued 9,495,554 post-consolidation common shares at a value of $830,861 to settle an aggregate indebtedness of $830,861 (Note 5 and 6).

iii) issued 8,954,330 common shares, including a 20% common stock bonus, valued at $447,717 to settle loans payable of $376,886 and recorded a loss on settlement of $70,831.

iv) received subscription proceeds of $12,000 towards the issuance of 120,000 units, with each unit consisting of one common share and share purchase warrant, each warrant exercisable into one common share at a price of $0.20 per share for a period of 24 months.

Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option will not be less than the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

A summary of changes in stock options is as follows:

	Number of Options		Weighted Average Exercise Price
Outstanding as at April 30, 2017	671,429	$	0.175
Expired	(671,429)		0.175
Outstanding as at April 30, 2018 and July 31, 2018	-	$	-

8. TRANSACTIONS WITH RELATED PARTIES

The Company defines key management as officers and directors. During the period ended July 31, 2018, the Company:

i) paid or accrued management fees of $15,000 (2017 - $15,000) to a director of the Company.

ii) paid or accrued management fees of $15,500 (2017 - $Nil) to the Chief Executive Officer ("CEO") of the Company.

iii) paid or accrued professional fees of $3,000 (2017 - $Nil) to the Chief Financial Officer ("CFO") of the Company.

Included in prepaid expenses as at July 31, 2018 is $Nil (April 30, 2018 - $5,000) paid to the Company's CEO and $7,600 (April 30, 2018 - $5,000) paid to a Company's director.

Included in accounts payable and accrued liabilities as at July 31, 2018 is $12,945 (April 30, 2018 - $3,000) owed to officers and a director of the Company.

During the year ended April 30, 2018, the Company issued 5,222,229 common shares to a director of the Company to settle an aggregate of $456,945 of indebtedness.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has applied a three-level hierarchy to reflect the significance of the inputs used in making fair value measurements. The three levels of 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 assets or liabilities, either directly or indirectly; and
Level 3 – Inputs for assets or liabilities that are not based on observable market data.

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and loans payables. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company is exposed to nominal foreign currency risk.

b) Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds non-interest bearing debt.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

e) Price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of commodities. The Company monitors these prices to determine the appropriate course of action to be taken.

10. CAPITAL MANAGEMENT

The Company defines capital that it manages as its shareholders' equity. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company did not change its approach to capital management during the period ended July 31, 2018.

(Expressed in Canadian Dollars)

11. SEGMENTED INFORMATION

The Company's primary business activity is the acquisition and exploration of exploration and evaluation assets. Geographic information is as follows:

		July 31, 2018		April 30, 2018
Exploration and evaluation assets				
United States	$	90,668	$	54,239
East Asia		10,830		10,830
Equipment				
Canada	$	1,436	$	1,512

12. SUBSEQUENT EVENT

Subsequent to July 31, 2018, the Company received subscription proceeds of $68,000 towards future private placement. To date, no units have been issued.

SCHEDULE "D"

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS OF THE ISSUER FOR THE THREE MONTHS ENDED JULY 31, 2018

[inserted as pages following]

Northern Lights Resources Corp.
Management Discussion and Analysis
For the Period Ended July 31, 2018

September 19, 2018

The following discussion and analysis should be read in conjunction with the unaudited condensed interim financial statements for the period ended July 31, 2018, and related notes included therein, prepared in accordance IAS 34, Interim Financial Report ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"), and its interpretations, using accounting policies consistent with International Financial Reporting Standards ("IFRS"). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional regulatory filings for the Company can be found on the SEDAR website at www.sedar.com. The Company's website can be found at www.northernlightsresources.com.

The reader should also refer to the audited financial statements for the year ended April 30, 2018.

Northern Lights Uranium Corp. (the "Company") was incorporated under the laws of British Columbia on March 28, 2007. On April 22, 2008, the Company changed its name to Northern Lights Resources Corp. The Company's principal business activities include the acquisition and exploration of resource properties. On June 28, 2012, the Company completed its initial public offering ("IPO") by way of prospectus, and a listing on the Canadian Securities Exchange ("CSE").

On September 10, 2013 and September 24, 2013 cease trade orders ("CTOs") was issued by the British Columbia Securities Commission and the Ontario Securities Commission respectively for failure of the Company to file its annual financial statements for the fiscal year ended April 30, 2013, and corresponding MD&A in a timely manner. On October 31, 2013, the CSE halted the shares of the Company due to the Company being in default of CSE requirements. On January 22, 2014, the CSE delisted the common shares. On December 10, 2014 a CTO issued by the Alberta Securities Commission for failure of the Company to file its annual financial statements for the fiscal year ended April 30, 2014, and corresponding MD&A, in a timely manner. As at the date of this MD&A, the CTOs remain in place and the common shares remain delisted. On November 9, 2017 revocation orders were received from the British Columbia Securities Commission and the Ontario Securities Commission lifting the cease trade orders previously issued on September 10, 2013 and September 24, 2013 consequently. On November 10, 2017, a revocation order was received from the Alberta Securities Commission lifting the final cease trade order previously issued on December 10, 2014.

The Company completed a shares-for-debt transaction whereby 16,617,220 common shares were issued at $0.05 per share to settle an aggregate of $830,861 of debt, a common stock Consolidation of (1.75 to 1), a second shares-for-debt transaction whereby 8,954,327 common shares at $0.05 per share to settle an aggregate $376,885.56, entered into agreements on both the Del Under Property Earn-In Agreement and the Medicine Property Option Agreement, and has added new management.

On February 23, 2018, the Company announced that it had received Conditional Listing Approval for the Canadian Securities Exchange (the "CSE" or the "Exchange") based on the completion of a financing of minimum of $1 Million to meet the objectives described within the listing statement and completion of all CSE application documentation. In connection with the listings approval from the CSE, Northern Lights Resources announced that it intends to complete a non-brokered private placement of up to $1,500,000. The placement will consist of up to 15,000,000 units (each a "Unit") at a price of C$0.10 per Unit. Each Unit will consist of one Common share and one share purchase warrant.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements herein include, but is not limited to, statements relating to the timing, availability and amount of financings; expected use of proceeds; business objectives; the costs and timing relating to the potential acquisition of interests in mineral properties; the timing and costs of future exploration activities on the Company's future properties; success of exploration activities; permitting time lines and requirements for additional capital. In making forward-looking statements herein, the Company has applied several material assumptions, including, but not limited to, any additional financing needed will be available on reasonable terms, that general business and economic conditions will not change in a materially adverse manner, and that all necessary governmental approvals for the future exploration will be obtained in a timely manner and on acceptable terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Such risks and other factors include, among others, risks related to the completion of financings and the use of proceeds; operations and contractual obligations; changes in exploration programs based upon results of exploration; future prices of metals; availability of third party contractors; availability of equipment; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks of the mineral exploration industry; environmental risks; community relations; and delays in obtaining governmental approvals or financing.

Overview and Going Concern

The Company is in the business of acquiring exploration and evaluation assets. The Company currently has negotiated two property agreements, a property option agreement and a earn-in-agreement ("*see mineral property agreements*" below) and is in the process of looking for an acquisition of additional exploration and evaluation assets. Further, the Company expects its current capital resources will not be sufficient to complete its exploration plans and operations through its current operating year and will be required to raise additional funds through future equity issuances. The Company's ability to continue as a going concern is therefore dependent on its ability to raise additional funds through equity issuances. These material uncertainties may cast significant doubt on the entity's ability to continue as a going concern.

The financial statements for the year ended April 30, 2018 were prepared on a going concern basis 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. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

Results of Operations

The results of operations reflect the overhead costs incurred by the Company to maintain good standing with the various regulatory authorities and to provide an administrative infrastructure to manage the acquisition, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisitions continues. The Company has not recorded, since the date of its incorporation, any revenues from its mineral exploration and development activities.

Mineral Property Agreements

During the year ended April 30, 2018, the following events occurred:

i) Del Undur Project

The Company entered into an earn-in agreement dated June 17, 2017 whereby the Company can earn up to 100% interest in a prospective titanium property located in north-eastern Mongolia for aggregate consideration of (i) cash payments of $500,000, (ii) issuing 20,000,000 shares, and (iii) incurring exploration expenditures totaling $2,000,000, all over a four year term. In addition, the property owner will retain a 2.0% net smelter return royalty.

ii) Medicine Springs Property

The Company entered into a mineral property option agreement dated August 20, 2017 to acquire 100% of the property in southeastern Elko County, Nevada for aggregate consideration of the following:

i) Cash payments

a) USD $25,000 on or before the first anniversary of the date of execution ("Execution Date") (paid).
b) USD $50,000 on or before the second anniversary of the Execution Date.
c) USD $100,000 on or before the third anniversary of the Execution Date.
d) USD $150,000 on or before the fourth anniversary of the Execution Date.
e) USD $200,000 on or before the fifth anniversary of the Execution Date.
f) USD $425,000 on or before the sixth anniversary of the Execution Date.

ii) Share issuance

a) issuance of common share with a fair market value of USD $50,000 on or before the second anniversary of the Execution Date.
b) issuance of common share with a fair market value of USD $50,000 on or before the third anniversary of the Execution Date.
c) issuance of common share with a fair market value of USD $50,000 on or before the fourth anniversary of the Execution Date.
d) issuance of common share with a fair market value of USD $50,000 on or before the fifth anniversary of the Execution Date.
e) issuance of common share with a fair market value of USD $50,000 on or before the sixth anniversary of the Execution Date.

iii) Exploration expenditures

a) incur USD $250,000 in exploration on or before the first anniversary of the Execution Date (subsequently incurred).
b) incur USD $300,000 in exploration on or before the second anniversary of the Execution Date.
c) incur USD $400,000 in exploration on or before the third anniversary of the Execution Date.
d) incur USD $500,000 in exploration on or before the fourth anniversary of the Execution Date.
e) incur USD $500,000 in exploration on or before the fifth anniversary of the Execution Date.
f) incur USD $750,000 in exploration on or before the sixth anniversary of the Execution Date.

iv) Exploration expenditures – completed as of July 31, 2018

a) the Company incurred US$24,895 of expenditures by making payments: (i) US$23,095.00 to the United States Department of the Interior Bureau of Land Management, and (ii) US$1,792.00 to the Elko County Recorder's Office for 2017 taxation year.

b) the Company incurred US$25,093 of expenditures by making payments: (i) US$23,195.00 to the United States Department of the Interior Bureau of Land Management, and (ii) US$1,898.00 to the Elko County Recorder's Office for 2018 taxation year.

c) the Company has paid the cash option payment of US$25,000.

d) the Company incurred US$28,992 of exploration expenditures as of July 31, 2018 on the Medicine Property.

Revenues

Due to the Company's status as an exploration and development stage mineral resource company, and a historical lack of commercial production from its former property, the Company currently does not have any revenues from its operations.

General and Administrative Expenses

The Company incurred a loss and comprehensive loss for the three month period ended July 31, 2018 of $96,434 (2017 - $16,633).

A brief explanation of the significant changes in expense categories is provided below:

i) Filing fees of $1,420 (2017 - $Nil). The increase is due to costs incurred primarily due to reguatory fees paid for the resumption of trading on the stock exchange.

ii) Management fees of $30,000 (2017 - $15,000). The decrease is a result of Graham Keevil resigning as CEO effective April 30, 2017 and fees were negotiated with new management during the current year.

iii) Professional fees of $9,732 (2017 – $(3,125)). The increase is due to accounting and legal services incurred during the current year.

Summary of Quarterly Results

The following table sets out selected consolidated quarterly information for the last eight quarters.

Three Months Ended	**July 31, 2018**	**April 30, 2018**	**January 31, 2018**	**October 31, 2017**
Interest Income	$ -	$ -	$ -	$ -
Exploration and Evaluation Assets	-	-	-	-
Deficit	4,204,578	4,108,144	3,907,653	3,764,496
Net Loss	(96,434)	(200,491)	(143,157)	(8,892)
Basic and Diluted Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)
Three Months Ended	**July 31, 2017**	**April 30, 2017**	**January 31, 2017**	**October 31, 2016**
Interest Income	$ -	$ -	$ -	$ -
Exploration and Evaluation Assets	-	-	-	-
Deficit	3,755,604	3,738,971	3,761,418	3,729,096
Net Loss	(16,633)	22,447	(32,322)	(31,993)
Basic and Diluted Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)

During the three month period ended April 30, 2017, the Company recorded net income of $22,447. The increase over previous quarters was primarily a result of an $88,884 gain on reversal of accounts payable.

During the three month period ended January 31, 2018, the Company recorded net loss of $143,157. The decrease over previous quarters was primarily a result of $61,332 of filing fees incurred related to the resumption of trading on the stock exchange.

Liquidity and Capital Resources

At July 31, 2018, the Company had cash of $10,510 (April 30, 2018 – $30,208).

At July 31, 2018, the Company had a working capital deficiency of $139,069 (April 30, 2018- $71,282).

During the year ended April 30, 2016, the Company received a $5,000 loan accruing 10% interest per annum, repayable on the earlier of July 23, 2016 and the date the Company completes its next private placement. During the year ended April 30, 2017, the Company missed the repayment date and interest continues to accrue. As of July 31, 2018, the loan payable total was $6,512 (April 30, 2018 - $6,386) and accrued interest expenses of $126 during the period ended July 31, 2018.

The Company expects its current capital resources will not be sufficient to meet its business objectives or day-to-day operations through its next quarter or current operating year, and that its continuation as a going concern will be dependent on its ability to raise additional funds through equity issuances. There is no guarantee the Company will be successful in that regard. See “Overview and Going Concern” above.

During the period ended July 31, 2018, the Company did not issue any shares.

Financial Risk Factors

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and loans payables. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company is exposed to nominal foreign currency risk.

b) Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk.

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds non-interest bearing debt.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. At July 31, 2018, the Company had cash of $10,510 and current liabilities of $165,628. This emphasizes that the Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. See "Liquidity and Capital Resources" above. There is no guarantee that the Company will be able to raise capital. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

e) Price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of commodities. The Company monitors these prices to determine the appropriate course of action to be taken.

Related Party Transactions

The Company defines key management as officers and directors. During the period ended July 31, 2018, the Company:

i) paid or accrued management fees of $15,000 (2017 - $15,000) to a director of the Company.

ii) paid or accrued management fees of $15,500 (2017 - $Nil) to the Chief Executive Officer ("CEO") of the Company.

iii) paid or accrued professional fees of $3,000 (2017 - $Nil) to the Chief Financial Officer ("CFO") of the Company.

Included in prepaid expenses as at July 31, 2018 is $Nil (April 30, 2018 - $5,000) paid to the Company's CEO and $7,600 (April 30, 2018 - $5,000) paid to a Company's director.

Included in accounts payable and accrued liabilities as at July 31, 2018 is $12,945 (April 30, 2018 - $3,000) owed to officers and a director of the Company.

During the year ended April 30, 2018, the Company issued 5,222,229 common shares to a director of the Company to settle an aggregate of $456,945 of indebtedness.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Changes in Accounting Policies and Future Accounting Pronouncements

Please refer to the condensed interim financial statements for the period ended July 31, 2018 located on www.sedar.com.

Critical Accounting Estimates

Please refer to the condensed interim financial statements for the period ended July 31, 2018 located on www.sedar.com.

Contingencies

There are no contingent liabilities.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

Other MD&A Requirements

- As at September 18, 2018, the Company had 33,556,832 common shares outstanding:

SCHEDULE "E"

AUDITED FINANCIAL STATEMENTS OF THE ISSUER
FOR THE FISCAL YEARS ENDING APRIL 30, 2018 AND 2017

[inserted as pages following]

NORTHERN LIGHTS RESOURCES CORP.

FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

April 30, 2018

Head Office
Suite 1000 – 355 Burrard Street
Vancouver, BC
V6C 2G8
Canada

Registered and Records Office
Suite 2900 – 595 Burrard Street
Vancouver, BC
V7X 1J5
Canada

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Northern Lights Resources Corp.

We have audited the accompanying financial statements of Northern Lights Resources Corp., which comprise the statements of financial position as at April 30, 2018 and 2017 and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency), and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Northern Lights Resources Corp. as at April 30, 2018 and 2017 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, B.C., Canada V7Y 1G6
Telephone (604) 687-0947 Davidson-co.com

Emphasis of Matter

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

"DAVIDSON & COMPANY LLP"

Vancouver, Canada | Chartered Professional Accountants

August 27, 2018

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT APRIL 30,

	2018	2017
ASSETS		
Current		
Cash	$ 30,208	$ 63
Receivables	4,083	2,303
Prepaid expenses	10,316	-
	44,607	2,366
Equipment (Note 3)	1,512	1,890
Exploration and evaluation assets (Note 4)	65,069	-
	$ 111,188	$ 4,256
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Accounts payable and accrued liabilities (Note 5)	$ 109,503	$ 711,417
Loans payable (Notes 6)	6,386	218,945
	115,889	930,362
Shareholders' deficiency		
Share capital (Note 7)	3,952,943	2,674,365
Share-based payment reserve	138,500	138,500
Subscription received in advance (Note 7)	12,000	-
Deficit	(4,108,144)	(3,738,971)
	(4,701)	(926,106)
	$ 111,188	$ 4,256

Nature and continuance of operations (Note 1)
Subsequent event (Note 13)

On behalf of the Board:

"Albert (Rick) Timcke" Director

"Jason Bahsen" Director

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

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED APRIL 30,

	2018	2017
EXPENSES		
Amortization	$ 378	$ 472
Consulting	15,750	-
Filing and regulatory fees	77,880	-
Gain on settlement of accounts payable (Note 5)	(25,989)	-
Loss on settlement of loans payable (Note 6)	70,831	-
Interest expense	24,118	-
Management fees (Note 8)	87,500	120,000
Office and miscellaneous	22,742	86
Professional fees	62,865	7,829
Travel and promotion	34,298	34,358
Reversal of accounts payable	(1,200)	(88,884)
Loss and comprehensive loss for the year	$ (369,173)	$ (73,861)
Basic and diluted loss per common share	$ (0.02)	$ (0.00)
Weighted average number of common shares outstanding	21,245,910	15,106,948

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

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Expressed in Canadian Dollars)

	Number of shares	Share Capital	Share-based payment reserve	Subscription received in advance	Deficit	Total Shareholders' Equity (Deficiency)
April 30, 2016	15,106,948	$ 2,674,365	$ 138,500	$ -	$ (3,665,110)	$ (852,245)
Loss for the year	-	-	-	-	(73,861)	(73,861)
April 30, 2017	15,106,948	2,674,365	138,500	-	(3,738,971)	(926,106)
Debt settlements (Note 7)	18,449,884	1,278,578	-	-	-	1,278,578
Subscription received in advance	-	-	-	12,000	-	12,000
Loss for the year	-	-	-	-	(369,173)	(369,173)
April 30, 2018	33,556,832	$ 3,952,943	$ 138,500	$ 12,000	$ (4,108,144)	$ (4,701)

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

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED APRIL 30,

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (369,173)	$ (73,861)
Non-cash items:		
Amortization	378	472
Loan interest accrual	24,118	-
Reversal of accounts payable	(1,200)	(88,884)
Gain on settlement of accounts payable	(25,989)	-
Loss on settlement of loans payable	70,831	-
Changes in non-cash working capital items:		
Receivables	(1,780)	(2,303)
Prepaid expenses	(10,316)	-
Accounts payable and accrued liabilities	42,191	164,635
Net cash provided by (used in) operating activities	(270,940)	59
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(65,069)	-
Net cash used in financing activities	(65,069)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds	354,154	-
Subscription received in advance	12,000	-
Net cash provided by financing activities	366,154	-
Change in cash for the year	30,145	59
Cash, beginning of year	63	4
Cash, end of year	$ 30,208	$ 63
Cash paid for interest	$ -	$ -
Cash paid for income taxes	-	-
Supplemental disclosure with respect to cash flows (non-cash transactions)		
Exploration and evaluation asset expenditures included in accounts payable	$ -	$ 30,000
Debt settlement with issuance of shares	1,278,578	-

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Northern Lights Uranium Corp. (the "Company") was incorporated under the laws of British Columbia on March 28, 2007. On April 22, 2008, the Company changed its name to Northern Lights Resources Corp. The Company's principal business activities include the acquisition and exploration of resource properties. On June 28, 2012, the Company completed its initial public offering ("IPO") by way of prospectus, and a listing on the Canadian Securities Exchange ("CSE"). On October 31, 2013, the CSE halted the shares of the Company due to the Company being in default of CSE requirements. On January 22, 2014, the CSE delisted the common shares. The common shares remain delisted. On November 9, 2017 revocation orders were received from the British Columbia Securities Commission and the Ontario Securities Commission lifting the cease trade orders previously issued on September 10, 2013 and September 24, 2013, respectively. On November 10, 2017 a revocation order was received from the Alberta Securities Commission lifting the final cease trade order previously issued on December 10, 2014. The Company has submitted a listing statement and will advise all shareholders when the resumption of trading may occur.

Effective December 28, 2017, the Company consolidated its common shares on a 1.75 to 1 basis. These financial statements have been retrospectively adjusted to reflect the share consolidation.

The Company expects its current capital resources will not be sufficient to complete its exploration plans and operations through its current operating year and will be required to raise additional funds through future equity issuances. The Company's ability to continue as a going concern is therefore dependent on its ability to raise additional funds through equity issuances. These material uncertainties may cast significant doubt on the entity's ability to continue as a going concern.

These financial statements have been prepared on a going concern basis 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. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been recorded at fair value. The financial statements are presented in Canadian dollars which is the functional currency of the Company.

These financial statements have been prepared in with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and interpretations of the IFRS Interpretations Committee ("IFRIC").

The policies applied in these financial statements are presented below and are based on IFRS issued and outstanding as of April 30, 2018.

The Board of Directors approved these financial statements on August 27, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Comprehensive income

Comprehensive income (loss) reflects the net gain (loss) and other comprehensive income (loss) for the period. Other comprehensive income (loss) includes changes in unrealized foreign currency translation amounts arising from self-sustaining foreign operations, unrealized gains and losses on available-for-sale assets and changes in the fair value of derivatives designated as cash flow hedges to the extent they are effective.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is provided on a declining balance basis at 20% per annum for furniture and equipment.

Estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

<u>Significant Judgments</u>

a. Economic recoverability and probability of future benefits of exploration and evaluation costs

   Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessment of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

b. Deferred taxes

   The Company recognizes the deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred income and resource tax assets.

<u>Significant Estimates</u>

a. Share-based payments

   Share-based payments are determined using the Black-Scholes option pricing model based on the estimated fair value of all share-based awards at the date of grant and is expensed to the statement of loss and comprehensive income (loss) over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Loss per share

The Company computes the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Basic loss per common share is calculated using the weighted average number of common shares outstanding during the year.

Exploration and evaluation assets

Upon acquiring the legal right to explore an exploration and evaluation asset, costs related to acquisition, exploration and evaluation are capitalized by property. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets are written down to their net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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 years. A reversal of an impairment loss is recognized immediately in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year.

Share-based payments

The Company grants stock options to acquire 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 fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Income taxes (cont'd…)

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Financial instruments – recognition and measurement

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets 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 through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - 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 investment 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 through profit or loss.

Available-for-sale - 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 through other comprehensive income (loss).

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

The Company has classified its cash at fair value through profit and loss. The Company's receivables are classified as loans and receivables.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through 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 through profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method.

The Company's accounts payable and accrued liabilities and loans payable are classified as other financial liabilities.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Recent accounting pronouncements not yet effective

Accounting Standards Issued and Effective for fiscal years beginning on or after January 1, 2018

IFRS 9 *Financial Instruments* replaces the current standard IAS 39 Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value.

The Company does not expect the adoption of the standard to have a material impact on its financial statements.

3. EQUIPMENT

		Furniture and equipment
Cost		
Balance at April 30, 2016	$	14,150
Addition		-
Balance at April 30, 2017		14,150
Addition		-
Balance at April 30, 2018	$	14,150
Accumulated amortization		
Balance at April 30, 2016	$	11,788
Amortization		472
Balance at April 30, 2017		12,260
Amortization		378
Balance at April 30, 2018	$	12,638
Carrying amounts		
At April 30, 2017	$	1,890
At April 30, 2018	$	1,512

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Del Undur Project	Medicine Springs	Total
Acquisition Costs:			
Balance at April 30, 2016 and 2017	$ -	$ -	$ -
Cash	10,830	31,843	42,673
Balance at April 30, 2018	10,830	31,843	42,673
Deferred Exploration Costs:			
Balance at April 30, 2016 and 2017	-	-	-
Consulting	-	22,396	22,396
Balance at April 30, 2018	-	22,396	22,396
Total	$ 10,830	$ 54,239	$ 65,069

Del Undur Project

The Company entered into an earn-in agreement dated June 17, 2017 whereby the Company can earn up to 100% interest in the property located in north-eastern Mongolia for aggregate consideration of (i) cash payments of $500,000, (ii) issuing 20,000,000 shares, and (iii) incurring exploration expenditures totaling $2,000,000, all over a four year term. In addition, the property owner will retain a 2.0% net smelter return royalty (“NSR”) of which the Company has the option to buy back 1% for $1,000,000.

Medicine Springs

The Company entered into a mineral property option agreement dated August 20, 2017 to acquire 100% of the property in southeastern Elko County, Nevada for aggregate consideration of (i) cash payments of US$950,000, (ii) issuing shares having a value of US$250,000, and (iii) incurring exploration expenditures totaling US$2,700,000, all over a six year term. In addition, the property owner will retain a 2.5% NSR. The Company has the option to purchase back 1.5% of the NSR for US$3,000,000 on a portion of the mineral claims (126,149) and US$1,000,000 on a portion of the mineral claims (23/149). The royalty to the project vendors is in addition to a further 0.5% royalty over a portion of the mineral claims (23/149). Subsequent to April 30, 2018, the Company made a US$ 25,000 payment pursuant to the agreement.

(Expressed in Canadian Dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		April 30, 2018		April 30, 2017
Trade payables	$	93,553	$	676,417
Accrued liabilities		15,950		35,000
	$	109,503	$	711,417

During the year ended April 30, 2018, the Company:

i) entered into an agreement with a creditor to settle an outstanding amount of $35,700 for $9,711, resulted in a gain on settlement of accounts payable of $25,989.

ii) issued 7,050,469 common shares to settle an aggregate of $616,916 in accounts payable and accrued liabilities (Note 7).

6. LOANS PAYABLE

During the year ended April 30, 2018, a loan payable to a director of the Company was settled through the issuance of 2,445,085 shares (Note 7). As of April 30, 2018, the loan payable was $Nil (April 30, 2017 - $213,945).

During the year ended April 30, 2016, the Company received a $5,000 loan accruing 10% interest per annum, repayable on the earlier of July 23, 2016 and the date the Company completes its next private placement. During the year ended April 30, 2017, the Company missed the repayment date and interest continues to accrue. As of April 30, 2018, the loan payable total was $6,386 (April 30, 2017 - $5,000) and accrued $1,386 of interest expenses during the year ended April 30, 2018.

During the year ended April 30, 2018, the Company received loans totaling $354,154. The loans accrued interest at 12% per annum, repayment on the earlier of April 1, 2018 and the date the Company completes its next private placement. The loans accrued interest expense of $22,732. The loans and accrued interest were fully settled through the issuance of 8,954,330 shares (Note 7). As of April 30, 2018, the loans payable total was $Nil.

7. SHARE CAPITAL

Authorized: Unlimited common shares, without par value

During the year ended April 30, 2018, the Company:

i) consolidated its common shares on a 1.75 to 1 basis. All references to previous share and per share amounts have been adjusted to reflect the share consolidation.

ii) issued 9,495,554 post-consolidation common shares at a value of $830,861 to settle an aggregate indebtedness of $830,861 (Note 5 and 6).

iii) issued 8,954,330 common shares, including a 20% common stock bonus, valued at $447,717 to settle loans payable of $376,886 and recorded a loss on settlement of $70,831.

iv) received subscription proceeds of $12,000 towards the issuance of 120,000 units, with each unit consisting of one common share and share purchase warrant, each warrant exercisable into one common share at a price of $0.20 per share for a period of 24 months.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (cont'd…)

Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option will not be less than the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

A summary of changes in stock options is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding as at April 30, 2016 and 2017	671,429	$ 0.175
Expired	(671,429)	0.175
Outstanding as at April 30, 2018	-	$ -

8. TRANSACTIONS WITH RELATED PARTIES

The Company defines key management as officers and directors. During the year ended April 30, 2018, the Company:

i) owed a director of the Company $Nil (April 30, 2017 - $213,945) for a non-interest bearing loan.

ii) owed $Nil (April 30, 2017 - $43,160) to an accounting firm in which the former officer and director of the Company is a partner.

iii) paid or accrued management fees of $60,000 (2017 - $60,000) to a director of the Company. At April 30, 2018, the Company owed a director $Nil (April 30, 2017 - $259,733) recorded in accounts payable.

iv) paid or accrued management fees of $27,500 (2017 - $Nil) to the Chief Executive Officer ("CEO") of the Company.

v) paid or accrued professional fees of $3,000 (2017 - $Nil) to the Chief Financial Officer ("CFO") of the Company.

vi) paid or accrued management fees of $Nil (2017 - $60,000) to the former CEO of the Company. At April 30, 2018, the Company owed the former CEO $Nil (April 30, 2017 - $131,250) recorded in accounts payable.

Included in prepaid expenses as at April 30, 2018 is $5,000 (April 30, 2017 - $Nil) paid to the Company's CEO and $5,000 (April 30, 2017 - $Nil) paid to a Company's director.

During the year ended April 30, 2018, the Company issued 5,222,229 common shares to a director of the Company to settle an aggregate of $456,945 of indebtedness.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has applied a three-level hierarchy to reflect the significance of the inputs used in making fair value measurements. The three levels of 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 assets or liabilities, either directly or indirectly; and
Level 3 – Inputs for assets or liabilities that are not based on observable market data.

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and loans payables. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company is exposed to nominal foreign currency risk.

b) Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk.

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds non-interest bearing debt.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

e) Price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of commodities. The Company monitors these prices to determine the appropriate course of action to be taken.

(Expressed in Canadian Dollars)

10. CAPITAL MANAGEMENT

The Company defines capital that it manages as its shareholders' equity. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company did not change its approach to capital management during the year ended April 30, 2018.

11. SEGMENTED INFORMATION

The Company's primary business activity is the acquisition and exploration of exploration and evaluation assets. Geographic information is as follows:

		April 30, 2018		April 30, 2017
Exploration and evaluation assets				
United States	$	54,239	$	-
East Asia		10,830		-
Equipment				
Canada	$	1,512	$	1,890

12. INCOME TAXES

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

		2018		2017
Loss for the year before income tax	$	(369,173)	$	(73,861)
Income tax expense (recovery) at statutory income tax rate	$	(97,000)	$	(19,000)
Change in statutory, foreign tax foreign exchange rates and other		(57,000)		-
Permanent difference		1,000		-
Change in unrecognized deductible temporary differences		147,000		19,000
	$	(1,000)	$	-

(Expressed in Canadian Dollars)

12. INCOME TAXES (cont'd…)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

		2018	Expiry Date Range		2017	Expiry Date Range
Temporary Differences						
Exploration and evaluation assets	$	1,867,000	No expiry date	$	1,802,000	No expiry date
Investment tax credit		4,000	2020 to 2037		1,000	2020 to 2036
Property and equipment		12,000	No expiry date		14,000	No expiry date
Non-capital losses available for future years		1,923,000	2027 to 2038		1,591,000	2027 to 2037

13. SUBSEQUENT EVENT

Subsequent to April 30, 2018, the Company received subscription proceeds of $123,000 toward future private placement. To date, no units have been issued (Note 7).

SCHEDULE “F”

MANAGEMENT’S DISCUSSION AND ANALYSIS OF THE AUDITED FINANCIAL STATEMENTS OF THE ISSUER FOR THE YEAR ENDING APRIL 30, 2018

[inserted as pages following]

Northern Lights Resources Corp.
Management Discussion and Analysis
For the Year Ended April 30, 2018

August 27, 2018

The following discussion and analysis should be read in conjunction with the audited financial statements for the year ended April 30, 2018, and related notes included therein, prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional regulatory filings for the Company can be found on the SEDAR website at www.sedar.com. The Company's website can be found at www.northernlightsresources.com.

The reader should also refer to the audited financial statements for the year ended April 30, 2018.

Northern Lights Uranium Corp. (the "Company") was incorporated under the laws of British Columbia on March 28, 2007. On April 22, 2008, the Company changed its name to Northern Lights Resources Corp. The Company's principal business activities include the acquisition and exploration of resource properties. On June 28, 2012, the Company completed its initial public offering ("IPO") by way of prospectus, and a listing on the Canadian Securities Exchange ("CSE").

On September 10, 2013 and September 24, 2013 cease trade orders ("CTOs") was issued by the British Columbia Securities Commission and the Ontario Securities Commission respectively for failure of the Company to file its annual financial statements for the fiscal year ended April 30, 2013, and corresponding MD&A in a timely manner. On October 31, 2013, the CSE halted the shares of the Company due to the Company being in default of CSE requirements. On January 22, 2014, the CSE delisted the common shares. On December 10, 2014 a CTO issued by the Alberta Securities Commission for failure of the Company to file its annual financial statements for the fiscal year ended April 30, 2014, and corresponding MD&A, in a timely manner. As at the date of this MD&A, the CTOs remain in place and the common shares remain delisted. On November 9, 2017 revocation orders were received from the British Columbia Securities Commission and the Ontario Securities Commission lifting the cease trade orders previously issued on September 10, 2013 and September 24, 2013 consequently. On November 10, 2017, a revocation order was received from the Alberta Securities Commission lifting the final cease trade order previously issued on December 10, 2014.

Effective December 28, 2017, the Company consolidated its common shares on a 1.75 to 1 basis. These financial statements have been retrospectively adjusted to reflect the share consolidation.

On February 23, 2018, the Company announced that it had received Conditional Listing Approval for the Canadian Securities Exchange (the "CSE" or the "Exchange") and in connection with the listings approval from the CSE, Northern Lights Resources intends to complete a non-brokered private placement of up to $1,500,000. The placement will consist of up to 15,000,000 units (each a "Unit") at a price of C$0.10 per Unit. Each Unit will consist of one Common share and one share purchase warrant.

Since the CTOs were put in place in 2013, the Company has been relatively inactive. The Company has reviewed several potential mineral exploration projects over the years, but until such time as the Company had the funds necessary to seek revocations to the CTOs, it did not actively pursue any opportunity. Once the Company was financially able to apply for CTO revocations, it began to investigate mineral property opportunities more closely. On September 15, 2017 the Company announced two potential transactions (see "*Mineral Property Agreement*" below).

Forward-Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, “forecast”, “estimate”, “expect” and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company’s current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements herein include, but is not limited to, statements relating to the timing, availability and amount of financings; expected use of proceeds; business objectives; the costs and timing relating to the potential acquisition of interests in mineral properties; the timing and costs of future exploration activities on the Company's future properties; success of exploration activities; permitting time lines and requirements for additional capital. In making forward-looking statements herein, the Company has applied several material assumptions, including, but not limited to, any additional financing needed will be available on reasonable terms, that general business and economic conditions will not change in a materially adverse manner, and that all necessary governmental approvals for the future exploration will be obtained in a timely manner and on acceptable terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Such risks and other factors include, among others, risks related to the completion of financings and the use of proceeds; operations and contractual obligations; changes in exploration programs based upon results of exploration; future prices of metals; availability of third party contractors; availability of equipment; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks of the mineral exploration industry; environmental risks; community relations; and delays in obtaining governmental approvals or financing.

Overview and Going Concern

The Company is in the business of acquiring exploration and evaluation assets. The Company currently has negotiated two property agreements, a property option agreement and a earn-in-agreement (“*see mineral property agreements”* below) and is in the process of looking for an acquisition of additional exploration and evaluation assets. Further, the Company expects its current capital resources will not be sufficient to complete its exploration plans and operations through its current operating year and will be required to raise additional funds through future equity issuances. The Company’s ability to continue as a going concern is therefore dependent on its ability to raise additional funds through equity issuances. These material uncertainties may cast significant doubt on the entity’s ability to continue as a going concern.

The financial statements for the year ended April 30, 2018 were prepared on a going concern basis 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. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

Results of Operations

The results of operations reflect the overhead costs incurred by the Company to maintain good standing with the various regulatory authorities and to provide an administrative infrastructure to manage the acquisition, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisitions continues. The Company has not recorded, since the date of its incorporation, any revenues from its mineral exploration and development activities.

Mineral Property Agreements

During the year ended April 30, 2018, the following events occurred:

i) Del Undur Project

The Company entered into an earn-in agreement dated June 17, 2017 whereby the Company can earn up to 100% interest in a prospective titanium property located in north-eastern Mongolia for aggregate consideration of (i) cash payments of $500,000, (ii) issuing 20,000,000 shares, and (iii) incurring exploration expenditures totaling $2,000,000, all over a four year term. In addition, the property owner will retain a 2.0% net smelter return royalty.

ii) Medicine Springs Property

The Company entered into a mineral property option agreement dated August 20, 2017 to acquire 100% of a prospective Zinc-Lead-Silver property in southeastern Elko County, Nevada for aggregate consideration of (i) cash payments of US$950,000, (ii) issuing shares having a value of US$250,000, and (iii) incurring exploration expenditures totaling US$2,700,000, all over a six year term. In addition, the property owner will retain a 2.0% net smelter return royalty.

Revenues

Due to the Company's status as an exploration and development stage mineral resource company, and a historical lack of commercial production from its former property, the Company currently does not have any revenues from its operations.

Selected Annual Information

	Year Ended April 30, 2018	**Year Ended April 30, 2017**	**Year Ended April 30, 2016**
Interest Income	$ -	$ -	$ -
Exploration and Evaluation Assets	-	-	-
Deficit	$4,108,144	$3,738,971	$3,665,110
Net Loss	($369,173)	($73,861)	($134,195)
Basic and Diluted Loss Per Share	($0.02)	($0.00)	($0.01)

Fourth Quarter Results

The Company did not have any significant events or transactions in the quarter ended April 30, 2018 to report.

General and Administrative Expenses

The Company incurred a loss and comprehensive loss **for the year ended April 30, 2018** of $369,173 (2017 - $73,861).

A brief explanation of the significant changes in expense categories is provided below:

i) Filing fees of $77,880 (2017 - $Nil). The increase is due to costs incurred primarily due to penalty fees paid for the resumption of trading on the stock exchange.

ii) Interest expenses of $24,118 (2017 - $Nil). The increase is a result of interest accrued from loans received during the current period.

iii) Management fees of $87,500 (2017 - $120,000). The decrease is a result of Graham Keevil resigning as CEO effective April 30, 2017 and fees were negotiated with new management during the current year.

iv) Professional fees of $62,865 (2017 – $7,829). The increase is due to accounting and legal services incurred during the current year.

v) Settlement of accounts payable of $25,989 (2017 - $Nil) due to the Company settling $35,700 of accounts payable for cash $9,711.

vi) Reversal of accounts payable of $1,200 (2017 - $88,884) as certain amounts have passed the statute of limitations and forgiven during the comparative year.

Summary of Quarterly Results

The following table sets out selected consolidated quarterly information for the last eight quarters.

Three Months Ended	**April 30, 2018**	**January 31, 2018**	**October 31, 2017**	**July 31, 2017**
Interest Income	$ -	$ -	$ -	$ -
Exploration and Evaluation Assets	-	-	-	-
Deficit	4,108,144	3,907,653	3,764,496	3,755,604
Net Income (Loss)	(200,491)	(143,157)	(8,892)	(16,633)
Basic and Diluted Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)
Three Months Ended	**April 30, 2017**	**January 31, 2017**	**October 31, 2016**	**July 31, 2016**
Interest Income	$ -	$ -	$ -	$ -
Exploration and Evaluation Assets	-	-	-	-
Deficit	3,738,971	3,761,418	3,729,096	3,697,103
Net Loss	22,447	(32,322)	(31,993)	(31,993)
Basic and Diluted Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)

During the three month period ended April 30, 2017, the Company recorded net income of $22,447. The increase over previous quarters was primarily a result of an $88,884 gain on reversal of accounts payable.

During the three month period ended January 31, 2018, the Company recorded net loss of $143,157. The decrease over previous quarters was primarily a result of $61,332 of filing fees incurred related to the resumption of trading on the stock exchange.

Liquidity and Capital Resources

At April 30, 2018, the Company had cash of $30,208 (April 30, 2017 – $63).

At April 30, 2018, the Company had a working capital deficiency of $71,282 (April 30, 2017- $927,996).

During the year ended April 30, 2012, the Company received non-interest bearing loan of $218,520 for a non-interest bearing loan from an former office and director of the Company and repaid $4,575 of the loan. During the period April 30, 2018, the loan was fully settled through the issuance of 2,445,086 shares (Note 7). As of April 30, 2018, the loan payable total was $Nil (April 30, 2017 - $213,945).

During the year ended April 30, 2016, the Company received a $5,000 loan accruing 10% interest per annum, repayable on the earlier of July 23, 2016 and the date the Company completes its next private placement. During the year ended April 30, 2017, the Company missed the repayment date and interest continues to accrue. As of April 30, 2018, the loan payable total was $6,386 (April 30, 2017 - $5,000) and accrued $1,386 of interest expenses during the year ended April 30, 2018.

During the year ended April 30, 2018, the Company received loans totaling $354,154. The loans accrue interest at a rate of 12% interest per annum, repayment on the earlier of April 1, 2018 and the date the Company completes its next private placement. During the year ended April 30, 2018, the loans accrued interest expenses of $22,732. The loans were fully settled through issuance of 8,954,330 shares (Note 8). As of April 30, 2018, the loans payable total was $Nil.

The Company expects its current capital resources will not be sufficient to meet its business objectives or day-to-day operations through its next quarter or current operating year, and that its continuation as a going concern will be dependent on its ability to raise additional funds through equity issuances. There is no guarantee the Company will be successful in that regard. See "Overview and Going Concern" above.

During the year ended April 30, 2018, the Company:

- issued 9,495,554 common shares to settle an aggregate of $830,861 of indebtedness.
- issued 8,954,330 common shares valued at $447,717 to settle loans payable of $376,886 and recorded a loss on settlement of loan payable of $70,831.

Financial Risk Factors

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and loans payables. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company is exposed to nominal foreign currency risk.

b) Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk.

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds non-interest bearing debt.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. At April 30, 2018, the Company had cash of $30,208 and current liabilities of $115,889. This emphasizes that the Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. See "Liquidity and Capital Resources" above. There is no guarantee that the Company will be able to raise capital. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

e) Price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of commodities. The Company monitors these prices to determine the appropriate course of action to be taken.

Related Party Transactions

The Company defines key management as officers and directors. During the year ended April 30, 2018, the Company:

i) owed a director of the Company $Nil (April 30, 2017 - $213,945) for a non-interest bearing loan.

ii) owed $Nil (April 30, 2017 - $43,160) to an accounting firm in which the former officer and director of the Company is a partner.

iii) paid or accrued management fees of $60,000 (2017 - $60,000) to a director of the Company. At April 30, 2018, the Company owed a director $Nil (April 30, 2017 - $259,733) recorded in accounts payable.

iv) paid or accrued management fees of $27,500 (2017 - $Nil) to the Chief Executive Officer ("CEO") of the Company.

v) paid or accrued professional fees of $3,000 (2017 - $Nil) to the Chief Financial Officer ("CFO") of the Company.

vi) paid or accrued management fees of $Nil (2017 - $60,000) to the former CEO of the Company. At April 30, 2018, the Company owed the former CEO $Nil (April 30, 2017 - $131,250) recorded in accounts payable.

Included in prepaid expenses as at April 30, 2018 is $5,000 (April 30, 2017 - $Nil) paid to the Company's CEO and $5,000 (April 30, 2017 - $Nil) paid to a Company's director.

During the year ended April 30, 2018, the Company issued 5,222,229 common shares to a director of the Company to settle an aggregate of $456,945 of indebtedness.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Changes in Accounting Policies and Future Accounting Pronouncements

Please refer to the financial statements for the year ended April 30, 2018 located on www.sedar.com.

Critical Accounting Estimates

Please refer to the financial statements for the year ended April 30, 2018 located on www.sedar.com.

Contingencies

There are no contingent liabilities.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

Other MD&A Requirements

- As at August 27, 2018, the Company had 33,556,832 common shares outstanding:

Change in Management

On November 14, 2017, the Company appointed Mr. Jason Bahnsen to be a Company Director and its Chief Executive Officer.

Mr. Bahnsen is a mining engineer with over 30 years of experience in natural-resources finance and operations.

Jason began his career is mine development and operations including several years at Freeport Indonesia, Royal Oak Gold Mines and at Rio Tinto, where he was involved in senior mine feasibility and business development roles. Jason's investment banking experience includes senior resource banking roles with Deutsche Bank, Macquarie Bank and Fox-Davies Capital where he led numerous M&A and equity capital market transactions for international resource companies globally.

Prior to joining Northern Lights, he was CEO of Falcon Isle Resources (private), CEO of Strata Minerals Inc. a TSX.V listed phosphate explorer, CEO of Gobi Coal and Energy (private) a Mongolian coal development company, and Director at Deutsche Bank AG, including serving as the Head of Deutsche Bank's Metals and Mining investment banking practice in Asia-Pacific.

Mr. Bahnsen graduated from the Queen's University in Kingston with a B.Sc. in Mining Engineering and holds an MBA from University of New England, Australia.

On November 24, 2017, the Company appointed Mr. Gary Artmont to be a Company's Head Geologist.

Mr. Gary Artmont, is a senior exploration geologist with over 40 years of international experience in regions including Canada, USA, Mexico, South America, Indonesia, Africa, Russia, China and Mongolia. Fellow member of AUSIMM and qualified to write NI 43-101 or JORC Competent Person reports for various exchanges.

Mr. Artmont has held senior positions with Rio Tinto, Kennecott Australia, Freeport McMorran Indonesia, Union Carbide, Norilsk Nickel and Ivanhoe Mining. From 1989 to 1995, Mr. Artmont served as the Chief Exploration Geologist for Freeport Indonesia, responsible for conducting exploration over a 57,000 km2 Contract of Work area with a team of over 600 geologists and field assistants.

During his career, Mr. Artmont has conducted over 150 site visits to producing mines located throughout the world.

On December 1, 2017, the Company appointed Mr. Richard Kelertas BscF., MscF.,RPF to be a Company Independent Director.

For over 35 years, Mr. Kelertas has held various positions in corporate Canada, encompassing sales, marketing, corporate development, corporate banking and equity capital markets. For 25 years, he has been a top ranked Equity Analyst and worked for various national and international firms.

Mr. Kelertas was recently Manager – Special Projects (Pulp & Paper) at Resolute Forest Products Ltd., and before that served as Senior Vice President of Corporate Development at Allana Potash Corp. from May 1, 2012 to July 28, 2015. Previously he served as Vice President and Senior Financial Analyst at Dundee Canada and Scotia McLeod. He has also held senior corporate banking positions at National Bank of Canada and the Mercantile Bank of Canada. Before that he worked in the resources division of Noranda Inc and held various sales, marketing and corporate development positions. He has served as a Director of Strata Minerals Inc. From July 24, 2012 to April 01, 2016 and was CEO of Celeste Mining Corp. from March 2013 until November, 2015.

Mr. Kelertas has been one of the most prominent investment analysts in Canada, ranked a “Top Gun” equity analyst by Brendan Woods International (BWI) and in 2010 was one of only 14 analysts in Canada to be named a “Super Leaguer Analyst” by BWI. Mr. Kelertas graduated from the University of Toronto with two science degrees, including a Master’s of Science.

On December 8, 2017, the Company appointed Mr. Gordon Tainton to be a Company Independent Director.

Mr. Tainton has over 25 years of experience at senior management levels in various sectors of the natural resources industry, including production, distribution, port/terminal development, trading, shipping, off-take agreements, and project finance. Gordon spent more than 15 years in the international inspection, control and testing industry in North America, Asia and Europe. He spent eight years with Sumitomo Corp. of Tokyo sourcing, purchasing and delivering key intermediate liquid, bulk and bagged industrial chemical and mineral products.
Since 2010 Gordon has held various executive and non-executive Board positions in both public and private companies. Gordon is currently President and Director of Focus Ventures Ltd, a TSX.V listed company developing a large scale phosphate project in Peru.

In addition Northern Lights Resources Corp is pleased to announce Leon Ho as Interim CFO.

Mr. Ho is a Chartered Professional Accountant working at Cross Davis & Company LLP, a Chartered Professional Accountant firm providing accounting services to publicly listed entities, primarily in the mining sector. Leon works directly with mining CEO’s and directors assisting with their regulatory and accounting needs.

SCHEDULE “G”

AUDITED FINANCIAL STATEMENTS OF THE ISSUER FOR THE FISCAL YEARS ENDING APRIL 30, 2016 AND 2015

[inserted as pages following]

NORTHERN LIGHTS RESOURCES CORP.

FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

April 30, 2016 and 2015

Head Office
Suite 1000 – 355 Burrard Street
Vancouver, BC
V6C 2G8
Canada

Registered and Records Office
Suite 2900 – 595 Burrard Street
Vancouver, BC
V7X 1J5
Canada

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Northern Lights Resources Corp.

We have audited the accompanying financial statements of Northern Lights Resources Corp., which comprise the statements of financial position as at April 30, 2016 and 2015 and the statements of loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Northern Lights Resources Corp. as at April 30, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

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

"DAVIDSON & COMPANY LLP"

Vancouver, Canada Chartered Professional Accountants

November 3, 2017

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	April 30, 2016	April 30, 2015
ASSETS		
Current		
Cash	$ 4	$ -
Receivables	-	4,337
	4	4,337
Equipment (Note 3)	2,362	2,953
	$ 2,366	$ 7,290
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Bank indebtedness	$ -	$ 164
Accounts payable and accrued liabilities (Note 4)	635,666	511,231
Loans payable (Notes 5 & 7)	218,945	213,945
	854,611	725,340
Shareholders' deficiency		
Share capital (Note 6)	2,674,365	2,674,365
Share-based payment reserve	138,500	138,500
Deficit	(3,665,110)	(3,530,915)
	(852,245)	(718,050)
	$ 2,366	$ 7,290

Nature and continuance of operations (Note 1)
Subsequent events (Note 12)

On behalf of the Board:

"Albert (Rick) Timcke" Director

"Graham Keevil" Director

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

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED APRIL 30

	2016	2015
EXPENSES		
Amortization	$ 591	$ 738
Management fees (Note 7)	120,000	65,000
Office and miscellaneous	635	704
Professional fees	8,330	7,500
Rent expense	-	375
Telecommunication	-	62
Travel and promotion	4,639	3,828
Loss and comprehensive loss for the year	$ (134,195)	$ (78,207)
Basic and diluted loss per common share	$ (0.01)	$ (0.00)
Weighted average number of common shares outstanding	26,437,152	26,437,152

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

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(Expressed in Canadian Dollars)

	Number of shares		Share Capital		Share-based payment reserve		Deficit		Total shareholders' deficiency
April 30, 2014	26,437,152	$	2,674,365	$	138,500	$	(3,452,708)	$	(639,843)
Loss for the year	-		-		-		(78,207)		(78,207)
April 30, 2015	26,437,152		2,674,365		138,500		(3,530,915)		(718,050)
Loss for the year	-		-		-		(134,195)		(134,195)
April 30, 2016	26,437,152	$	2,674,365	$	138,500	$	(3,665,110)	$	(852,245)

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

NORTHERN LIGHTS RESOURCES CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED APRIL 30

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (134,195)	$ (78,207)
Non-cash items:		
Amortization	591	738
Changes in non-cash working capital items:		
Decrease (increase) in receivables	4,337	(3,437)
Increase in accounts payable and accrued liabilities	124,435	80,733
Net cash used in operating activities	(4,832)	(173)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds	5,000	-
Change in cash for the year	168	(173)
Bank indebtedness, beginning of year	(164)	9
Cash, end of year	$ 4	$ (164)
Cash paid for interest	$ -	$ -
Cash paid for income taxes	-	-
Supplemental disclosure with respect to cash flows (non-cash transactions)		
Exploration and evaluation asset expenditures included in accounts payable	$ 95,109	$ 95,109

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Northern Lights Uranium Corp. (the "Company") was incorporated under the laws of British Columbia on March 28, 2007. On April 22, 2008, the Company changed its name to Northern Lights Resources Corp. The Company's principal business activities include the acquisition and exploration of resource properties. On June 28, 2012, the Company completed its initial public offering ("IPO") by way of prospectus, and a listing on the Canadian Securities Exchange ("CSE"). On October 31, 2013, the CSE halted the shares of the Company due to the Company being in default of CSE requirements. On January 22, 2014, the CSE delisted the common shares. The common shares remain delisted.

The Company is in the process of looking for an acquisition of exploration and evaluation assets. Further, the Company expects its current capital resources will not be sufficient to complete its exploration plans and operations through its current operating year and will be required to raise additional funds through future equity issuances. The Company's ability to continue as a going concern is therefore dependent on its ability to raise additional funds through equity issuances. These uncertainties may cast significant doubt on the entity's ability to continue as a going concern.

These financial statements have been prepared on a going concern basis 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. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been recorded at fair value. The financial statements are presented in Canadian dollars which is the functional currency of the Company.

These financial statements have been prepared in with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and interpretations of the IFRS Interpretations Committee ("IFRIC")

The policies applied in these financial statements are presented below and are based on IFRS issued and outstanding as of April 30, 2016.

The Board of Directors approved these financial statements on November 3, 2017.

Loss per share

The Company computes the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Basic loss per common share is calculated using the weighted average number of common shares outstanding during the year.

Comprehensive income

Comprehensive income (loss) reflects the net gain (loss) and other comprehensive income (loss) for the period. Other comprehensive income (loss) includes changes in unrealized foreign currency translation amounts arising from self-sustaining foreign operations, unrealized gains and losses on available-for-sale assets and changes in the fair value of derivatives designated as cash flow hedges to the extent they are effective.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is provided on a declining balance basis at 20% per annum for furniture and equipment and 50% per annum for computer equipment.

Estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

<u>Significant Judgments</u>

a. Economic recoverability and probability of future benefits of exploration and evaluation costs

   Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessment of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

b. Deferred taxes

   The Company recognizes the deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred income and resource tax assets.

<u>Significant Estimates</u>

a. Share-based payments

   Share-based payments are determined using the Black-Scholes option pricing model based on the estimated fair value of all share-based awards at the date of grant and is expensed to the statement of loss and comprehensive income (loss) over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Exploration and evaluation assets

Upon acquiring the legal right to explore an exploration and evaluation asset, costs related to acquisition, exploration and evaluation are capitalized by property. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets are written down to their net realizable value.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Exploration and evaluation assets (cont'd…)

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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 years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share-based payments

The Company grants stock options to acquire 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 fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments – recognition and measurement

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets 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 through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - 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 investment 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 through profit or loss.

Available-for-sale - 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 through other comprehensive income (loss).

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

The Company has classified its cash at fair value through profit and loss. The Company's receivables are classified as loans and receivables.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through 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 through profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method.

The Company's bank indebtedness, accounts payable and accrued liabilities and loans payable are classified as other financial liabilities.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Recent accounting pronouncements not yet effective

Accounting Standards Issued and Effective for fiscal years beginning on or after January 1, 2016

IFRS 9 *Financial Instruments* replaces the current standard IAS 39 Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value.

The Company does not expect the adoption of the standard to have a material impact on its financial statements.

3. EQUIPMENT

		Furniture and equipment
Cost		
Balance at April 30, 2014	$	14,150
Addition		-
Balance at April 30, 2015		14,150
Addition		-
Balance at April 30, 2016	$	14,150
Accumulated amortization		
Balance at April 30, 2014	$	10,459
Amortization		738
Balance at April 30, 2015		11,197
Amortization		591
Balance at April 30, 2016	$	11,788
Carrying amounts		
At April 30, 2015	$	2,953
At April 30, 2016	$	2,362

(Expressed in Canadian Dollars)

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	April 30, 2016	April 30, 2015
Trade payables	$ 608,166	$ 491,231
Accrued liabilities	27,500	20,000
	$ 635,666	$ 511,231

5. LOAN PAYABLE

During the year ended April 30, 2016, the Company received a $5,000 loan accruing 10% interest per annum, repayable on the earlier of July 23, 2016 and the date the Company completes its next private placement.

6. SHARE CAPITAL

Authorized: Unlimited common shares, without par value

Warrants

	Number of Warrants	Weighted Average Exercise Price
Balance, April 30, 2014	3,852,750	$ 0.15
Warrants expired	(3,852,750)	0.15
Balance, April 30, 2015 and April 30, 2016	-	$ -

Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option will not be less than the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

As at April 30, 2016, the following options were issued and outstanding:

Number of Options	Exercise Price	Expiry Date
1,175,000*	$ 0.10	June 28, 2017*

* subsequently expired

7. TRANSACTIONS WITH RELATED PARTIES

The Company defines key management as officers and directors. During the year ended April 30, 2016, the Company:

i) owed the former CEO and current director of the Company $213,945 (2015 -$213,945) for a non-interest bearing loan.

ii) owed $40,660 (2015 - $49,660) to an accounting firm in which a former officer and director of the Company is a partner.

iii) recorded management fees of $60,000 (2015 - $60,000) for the former CEO and current director of the Company. At April 30, 2016, the Company owed the former CEO $163,641 (2015 - $112,855) recorded in accounts payable.

iv) recorded management fees of $60,000 (2015 - $5,000) for the CEO of the Company. At April 30, 2016, the Company owed the CEO $68,250 (2015 - $5,250) recorded in accounts payable.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has applied a three-level hierarchy to reflect the significance of the inputs used in making fair value measurements. The three levels of 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 assets or liabilities, either directly or indirectly; and
Level 3 – Inputs for assets or liabilities that are not based on observable market data.

The Company's financial instruments consist of cash, receivables, bank indebtedness, accounts payable and accrued liabilities, and loans payables. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company operates in Canada and is not subject to significant currency risk.

b) Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk.

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds non-interest bearing debt.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

e) Price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of commodities. The Company monitors these prices to determine the appropriate course of action to be taken.

9. CAPITAL MANAGEMENT

The Company defines capital that it manages as its shareholders' deficiency. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company did not change its approach to capital management during the year ended April 30, 2016.

10. SEGMENTED INFORMATION

The Company currently operates in one business segment, being the exploration of exploration and evaluation assets in Canada.

(Expressed in Canadian Dollars)

11. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial income tax rate to the income tax recovery presented in the accompanying statements of loss and comprehensive loss is provided below:

	2016	2015
Loss for the year before income tax	$ (134,195)	$ (78,207)
	26.0%	26.0%
Income tax expense (recovery) at statutory income tax rate	$ (35,000)	$ (20,000)
Impact of future income tax rates applied versus current statutory rate and other	-	(1,000)
Change in unrecognized deductible temporary differences	35,000	21,000
	$ -	$ -

The Canadian income tax rate declined during the year due to changes in the law that reduced corporate income tax rates in Canada.

The significant components for the Company's unrecognized deductible temporary differences and unused tax losses are as follows:

	2016	2015	Expiry dates
Share issue costs	$ 18,000	$ 37,000	2037
Non-capital losses	1,500,000	1,347,000	2027 – 2036
Equipment	14,000	14,000	No expiry date
Exploration and evaluation assets	1,802,000	1,802,000	No expiry date
Investment tax credits	1,000	1,000	2030 - 2032

12. SUBSEQUENT EVENTS

Subsequent to April 30, 2016, the following events occurred:

i) Del Undur Project

The Company entered into an earn-in agreement dated June 17, 2017 whereby the Company can earn up to 100% interest in a prospective titanium property located in north-eastern Mongolia for aggregate consideration of (i) cash payments of $500,000, (ii) issuing 20,000,000 shares, and (iii) incurring exploration expenditures totaling $2,000,000, all over a four year term. In addition, the property owner will retain a 2.0% net smelter return royalty. The agreement is conditional upon the Company obtaining a revocation to the existing cease trade orders and relisting on the Canadian Securities Exchange.

ii) Medicine Exploration Property

The Company entered into a mineral property option agreement dated August 20, 2017 to acquire 100% of a prospective Zinc-Lead-Silver property in southeastern Elko County, Nevada for aggregate consideration of (i) cash payments of US$950,000, (ii) issuing shares having a value of US$250,000, and (iii) incurring exploration expenditures totaling US$2,700,000, all over a six year term. In addition, the property owner will retain a 2.0% net smelter return royalty. The agreement is conditional upon the Company obtaining a revocation to the existing cease trade orders and relisting on the Canadian Securities Exchange.

iii) The Company received loans totaling $136,154 accruing 12% interest per annum, repayable on the earlier of April 1, 2018 and the date the Company completes its next private placement.