NORTHERN LIGHTS RESOURCES CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

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

JULY 31, 2019

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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, 2019	April 30, 2019
ASSETS		
Current		
Cash	$ 10,257	$ 10,282
Receivables	36,978	10,209
Prepaid expenses (Note 8)	61,958	13,840
	109,193	34,331
Equipment (Note 3)	-	1,210
Exploration and evaluation assets (Note 4)	289,813	284,353
	$ 399,006	$ 319,894
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 5 and 7)	$ 200,755	$ 145,705
Shareholders' equity (deficiency)		
Share capital (Note 6)	5,165,203	4,994,203
Share-based payment reserve	470,800	470,800
Subscriptions received in advance	-	60,000
Deficit	(5,437,752)	(5,350,814)
	198,251	174,189
	$ 399,006	$ 319,894

Nature and continuance of operations (Note 1)

On behalf of the Board:

"Albert (Rick) Timcke" Director

"Jason Bahnsen" 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, 2019	July 31, 2018
EXPENSES		
Amortization (Note 3)	$ 1,210	$ 76
Consulting fees	11,500	-
Filing and regulatory fees	2,721	1,420
Interest expense	-	126
Management fees (Note 7)	45,000	30,000
Office and miscellaneous	3,076	47,656
Professional fees (Note 7)	11,200	9,732
Promotion and advertisement	9,305	-
Travel and promotion	2,926	7,424
Loss and comprehensive loss for the period	$ (86,938)	$ (96,434)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding	46,165,928	33,556,832

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

	Number of shares	Share Capital	Share-based payment reserve	Subscriptions received in advance	Deficit	Total Shareholders' Equity
April 30, 2018	33,556,832	$ 3,952,943	$ 138,500	$ 12,000	$ (4,108,144)	$ (4,701)
Subscriptions 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)
Private placements	11,005,000	1,100,500	-	(17,000)	-	1,083,500
Finder's fees - shares	600,400	60,040	-	-	-	60,040
Share issue costs	-	(119,280)	-	-	-	(119,280)
Share-based compensation	-	-	332,300	-	-	332,300
Loss for the period	-	-	-	-	(1,146,236)	(1,146,236)
April 30, 2019	45,162,232	4,994,203	470,800	60,000	(5,350,814)	174,189
Private placement	3,420,000	171,000	-	(60,000)	-	111,000
Loss for the period	-	-	-	-	(86,938)	(86,938)
July 31, 2019	48,582,232	$ 5,165,203	$ 470,800	$ -	$ (5,437,752)	$ 198,251

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,

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (86,938)	$ (96,434)
Non-cash items:		
Amortization	1,210	76
Loan interest accrual	-	126
Changes in non-cash working capital items:		
Receivables	(26,769)	(1,050)
Prepaid expenses	(48,118)	(600)
Accounts payable and accrued liabilities	55,050	49,613
Net cash used in operating activities	(105,565)	(48,269)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(5,460)	(36,429)
Net cash used in investing activities	(5,460)	(36,429)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from private placement	111,000	-
Subscriptions received in advance	-	65,000
Net cash provided by financing activities	111,000	65,000
Change in cash for the period	(25)	(19,698)
Cash, beginning of period	10,282	30,208
Cash, end of period	$ 10,257	$ 10,510
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -

Supplemental disclosure with respect to cash flows **(non-cash transactions)**

Debt settlement with issuance of shares	$ -	$ 1,278,578
Transfer of subscriptions to share capital	$ 60,000	$ -

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. On November 9, 2017, a 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. On October 31, 2018, the Company resumed trading on the CSE with the acceptance of the relisting application and received trading approval from the exchange.

The Company has incurred losses since inception, has a working capital deficiency of $91,562 and 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 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, 2019. Any subsequent changes to IFRS that are given effect in our annual consolidated financial statements for the year ending April 30, 2020 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 16, 2019.

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 nor taxable loss; nor 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

Financial assets and financial liabilities are recognized on the consolidated statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of May 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for any assets that continued to be recognized at the date of initial application. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial Instruments (cont'd…)

Measurement (cont'd…)

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company's financial assets and liabilities are recorded and measured as follows:

Asset or liability	Category	Measurement
Cash	FVTPL	Fair value
Receivables	Amortized cost	Amortized cost
Accounts payable	Amortized cost	Amortized cost
Loans payable	Amortized cost	Amortized cost

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Recent accounting pronouncements not yet effective

IFRS 16 Leases

This new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease.

The main features of the new standard are as follows:

- An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets.
- A lease asset is initially measured at cost and is then depreciated similarly to property and equipment. A lease liability is initially measured at the present value of the unpaid lease payments.
- A lessee presents interest expense on a lease liability separately from depreciation of a lease asset in the statement of profit or loss and other comprehensive income (loss).
- A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly.
- A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

The new standard supersedes the requirements in IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The new standard is effective for annual periods beginning on or after January 1, 2019. Adoption of this standard is not expected to have a material impact on the Company's financial statement presentation.

(Expressed in Canadian Dollars)

3. EQUIPMENT

		Furniture and equipment
Cost		
Balance at April 30, 2018	$	14,150
Addition		-
Balance at April 30, 2019		14,150
Addition		-
Balance at July 31, 2019	$	14,150
Accumulated amortization		
Balance at April 30, 2018	$	12,638
Amortization		302
Balance at April 30, 2019		12,940
Amortization		1,210
Balance at July 31, 2019	$	14,150
Carrying amounts		
At April 30, 2019	$	1,210
At July 31, 2019	$	-

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Del Undur Project	Medicine Springs	Total
Acquisition Costs:			
Balance at April 30, 2018	$ 10,830	$ 31,843	$ 42,673
Cash	-	33,179	33,179
Others	-	33,515	33,515
Write-off	(10,830)	-	(10,830)
Balance at April 30, 2019 and July 31, 2019	-	98,537	98,537
Deferred Exploration Costs:			
Balance at April 30, 2018	-	22,396	22,396
Assays	-	43,978	43,978
Consulting	13,787	86,714	100,501
Field work	-	32,728	32,728
Write-off	(13,787)	-	(13,787)
Balance at April 30, 2019	-	185,816	185,816
Consulting	-	5,460	5,460
Balance at July 31, 2019	-	191,276	191,276
Total	$ -	$ 289,813	$ 289,813

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.

The option agreement is for a 6-year term. Completion of the option agreement is subject to staged cash payments of $950,000, equity consideration of USD $250,000 and incurring exploration expenditures of USD $2,700,000 as follows:

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

Medicine Springs (cont'd…)

Northern Lights Resources has the option to proceed with each subsequent Phase in the Option Agreement upon the completion of all cash and equity consideration payments to the vendors in addition to meeting the minimum exploration expenditure payments defined for each Phase of the Option Agreement.

i) Cash payments
  a) Phase 1B - USD $25,000 within 30 days of receipt of regulatory approval (paid).
  b) Phase 2 - USD $50,000 within 30 days of completion of all phase 1B requirements ("Phase 2 Commencement Date")
  c) Phase 3 - USD $100,000 within 30 days of completion of all phase 2 requirements ("Phase 3 Commencement Date").
  d) Phase 4 - USD $150,000 within 30 days of completion of all phase 3 requirements ("Phase 4 Commencement Date").
  e) Phase 5 - USD $200,000 within 30 days of completion of all phase 4 requirements ("Phase 5 Commencement Date").
  f) Phase 6 - USD $425,000 within 30 days of completion of all phase 5 requirements ("Phase 6 Commencement Date").

ii) Share issuance
  a) Phase 2 - issuance of common shares with a fair market value of USD $50,000 after the Phase 2 Commencement Date.
  b) Phase 3 - issuance of common shares with a fair market value of USD $50,000 after the Phase 3 Commencement Date.
  c) Phase 4 - issuance of common shares with a fair market value of USD $50,000 after the Phase 4 Commencement Date.
  d) Phase 5 - issuance of common shares with a fair market value of USD $50,000 after the Phase 5 Commencement Date.
  e) Phase 6 - issuance of common shares with a fair market value of USD $50,000 after the Phase 6 Commencement Date.

iii) Exploration expenditures
  a) incur USD $25,000 in exploration upon execution of the agreement (incurred).
  b) Phase 1B - incur USD $225,000 within 1 year of execution of the agreement.
  c) Phase 2 - incur USD $300,000 within 1 year of the Phase 2 Commencement Date (subsequently agreed to incur by December 31, 2019).
  d) Phase 3 - incur USD $400,000 within 1 year of the Phase 3 Commencement Date.
  e) Phase 4 - incur USD $500,000 within 1 year of the Phase 4 Commencement Date.
  f) Phase 5 - incur USD $500,000 within 1 year of the Phase 5 Commencement Date.
  g) Phase 6 - incur USD $750,000 within 1 year of the Phase 6 Commencement 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).

(Expressed in Canadian Dollars)

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

Secret Pass Gold Project

During the period ended July 31, 2019, the Company entered into an option agreement, subsequently amended, to acquire 100% interest in the Secret Pass Gold Project located in northwestern Arizona. Under the term of the agreement, the Company holds an exclusive option to acquire the project until September 20, 2019.

Upon exercise of the option, the Company agrees to make the following consideration payments:

a) within 5 working days following the exercise of the option, the Company will pay cash consideration of US$75,000;
b) within 30 days following the exercise of the option, the Company will issue 2,000,000 common shares; and
c) under the terms of the agreement, the Company will make the following additional payments:
   i. US$175,000 on or before September 20, 2019; and
   ii. US$125,000 on or before October 15, 2019.

Completion of the transaction is subject to regulatory approval.

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.

During the year ended April 30, 2019, the Company decided to abandon the project and wrote-off the exploration and evaluation assets at $24,617.

The Company will pay cash consideration of $50,000 pursuant to the termination of the option agreement which has been accrued and included in the write-off of exploration and evaluation assets as of April 30, 2019.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		July 31, 2019		April 30, 2019
Trade payables	$	131,555	$	79,755
Accrued liabilities		69,200		65,950
	$	200,755	$	145,705

6. SHARE CAPITAL

Authorized: Unlimited common shares, without par value

During the period July 31, 2019, the Company closed a non-brokered private placement financing of 3,420,000 units at a price of $0.05 per unit for gross proceeds of $171,000. Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable into one common share at a price of $0.075 per share for 24 months following the date of issue of the unit

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (cont'd…)

During the year ended April 30, 2019, the Company closed a non-brokered private placement financing of 11,005,000 units at a price of $0.10 per unit for gross proceeds of $1,100,500. Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable into one common share at a price of $0.20 per share for 24 months following the closing date, subject to an accelerated expiry if the closing price of the Company's share is equal to or greater than $0.30 for twenty consecutive trading days at any time following four months after the date of closing. The Company paid $59,240 cash and issued 600,040 shares (valued at $60,040) as share issuance costs.

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, 2018	-	$ -
Granted	3,400,000	0.10
Outstanding as at April 30, 2019 and July 31, 2019	3,400,000	$ 0.10

As at July 31, 2019 the following options were outstanding and exercisable:

Number of Options	**Exercise Price**	**Expiry Date**
3,400,000	$ 0.10	November 7, 2023
3,400,000		

During the year ended April 30, 2019, the Company granted 3,400,000 stock options to directors, officers and consultants of the Company, exercisable at a price of $0.10 per share, expiring on November 7, 2023. The estimated fair value of these options was $332,300.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (cont'd…)

Warrants

A summary of changes in warrants is as follows:

	Number of Warrants		Weighted Average Exercise Price
Outstanding as at April 30, 2018	-	$	-
Granted	11,005,000		0.20
Outstanding as at April 30, 2019	11,005,000		0.20
Granted	3,420,000		0.075
Outstanding as at July 31, 2019	14,425,000	$	0.17

As at July 31, 2019 the following warrants were outstanding and exercisable:

Number of Options	Exercise Price		Expiry Date
11,005,000	$	0.20	October 2, 2020
3,420,000	$	0.075	July 4, 2021
14,425,000			

7. TRANSACTIONS WITH RELATED PARTIES

The Company defines key management as officers and directors. During the period ended July 31, 2019, the Company:

i) paid or accrued management fees of $22,500 (2018 - $15,000) to a director of the Company.

ii) paid or accrued management fees of $22,500 (2018 - $15,500) to the Chief Executive Officer ("CEO") of the Company.

iii) paid or accrued professional fees of $3,000 (2018 - $3,000) to the Chief Financial Officer ("CFO") of the Company.

Included in prepaid expenses as at July 31, 2019 is $Nil (April 30, 2019 - $Nil) paid to the Company's CEO and $9,708 (April 30, 2019 - $8,840) paid to a Company's director.

Included in accounts payable and accrued liabilities as at July 31, 2019 is $19,225 (April 30, 2019 - $4,393) owed to officers of the Company.

8. PREPAID EXPENSES

During the year ended April 30, 2019, the Company entered into agreements, for one year periods, with several parties for advertising, market advisory and other consulting services with contract values totaling $465,000. The fees under these agreements were paid in October and November 2018. These parties also subscribed to the private placement completed in October 2018. Due to uncertainty with the remaining economic benefits associated with these contracts at April 30, 2019, the remaining prepaid expenses associated with these contracts totaling $232,500 have been written-off to operations.

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.

(Expressed in Canadian Dollars)

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

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, 2019.

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, 2019	April 30, 2019
Exploration and evaluation assets		
United States	$ 289,813	$ 284,353
Equipment		
Canada	$ -	$ 1,210