TARTISAN NICKEL CORP

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2019

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Tartisan Nickel Corp (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Tartisan Nickel Corp
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at September 30, 2019	As at March 31, 2019
ASSETS		
Current assets		
Accounts receivable	**$ 93,376**	$ 25,466
Due from related parties (note 10)	**170,823**	232,223
Subscriptions receivable	**35,300**	35,300
Prepaid expenses	**14,195**	13,456
Total current assets	**313,694**	306,445
Non-current assets		
Property and equipment (note 5)	**3,698**	4,108
Mineral properties (note 4)	**2,235,482**	2,191,919
Reclamation deposit (note 4)	**277,608**	277,608
Investments (note 6)	**1,657,332**	1,853,939
Total assets	**$ 4,487,814**	$ 4,634,019
EQUITY AND LIABILITIES		
Current liabilities		
Bank overdraft	**18,209**	8,972
Accounts payable and accrued liabilities	**$ 327,415**	$ 327,544
Total current liabilities	**345,624**	336,516
Total liabilities	**345,624**	336,516
Shareholders' equity		
Share capital (note 7)	**8,099,829**	8,071,829
Units and shares to be issued	**8,750**	8,750
Reserve	**133,661**	491,728
Contributed surplus	**1,645,501**	1,287,434
Foreign subsidiary translation reserve	**54,068**	54,068
Deficit	**(5,799,619)**	(5,616,306)
Total shareholder's equity	**4,142,190**	4,297,503
Total shareholders' equity and liabilities	**$ 4,487,814**	$ 4,634,019

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)
Commitments and contingencies (note 12)

Approved on behalf of the Board:

D. Mark Appleby Director

Douglas Flett Director

Tartisan Nickel Corp

Condensed Interim Consolidated Statements of Loss (Income) and Comprehensive Loss (Income)
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Six Months Ended September 30, 2019	Six Months Ended September 30, 2018
Operating expenses				
Management and consulting fees (note 10)	**$ 21,365**	$ 141,500	**$ 53,750**	$ 198,156
Depreciation	**205**	241	**410**	481
Director fees (note 10)	**4,500**	4,500	**9,000**	9,000
Exploration costs			**-**	12,775
Foreign exchange loss	**-**	14	**-**	5,634
Interest and bank charges	**420**	586	**1,976**	849
Interest on notes payable	**4,762**	-	**-**	-
Marketing and promotion	**-**	55,836	**26,255**	159,123
Office, general and administration	**4,762**	58,038	**34,546**	131,416
Professional fees	**25,541**	71,211	**62,665**	72,847
	$ 61,555	$ 331,926	**188,602**	590,281
Gain on settlement of debt	**-**	(82,615)	**-**	(82,615)
Unrealized revaluation loss (gain) on investment (note 6)	**-**	1,713,276	**(60,457)**	3,435,686
Loss on sale of investments (note 6)	**1,808**	-	**55,168**	-
Net loss for the period	**$ 63,363**	$ 1,962,587	**$ 183,313**	$ 3,943,352
Other comprehensive loss				
Translation difference on foreign operations	**$ -**	$ 6,403	**$ -**	$ 9,522
Total comprehensive loss for the period	**$ 63,363**	$ 1,968,990	**$ 183,313**	$ 3,952,874
Basic and diluted net loss per share (note 11)	**$ 0.00**	$ 0.02	**$ 0.00**	$ 0.04
Weighted average number of common shares outstanding	**99,737,391**	98,520,652	**99,737,391**	98,357,145

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Tartisan Nickel Corp
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Six Months Ended September 30, 2019	Six Months Ended September 30, 2018
Operating activities		
Net loss for the **period**	**$ (183,313)**	$ (3,943,352)
Adjustments for:		
Depreciation	**410**	481
Foreign exchange	**-**	(10,114)
Gain on settlement of debt	**-**	(82,615)
Shares issued for services	**-**	16,000
Loss on sale of investments	**55,168**	-
Unrealized revaluation gain on investment	**(60,457)**	3,435,686
Changes in non-cash working capital items:		
Amounts receivable	**(67,910)**	52,093
Prepaid expenses	**(739)**	209,171
Amounts payable and other liabilities	**(129)**	221,473
Deposit payable	**-**	50,000
Net cash used in operating activities	**(256,970)**	$ (51,177)
Investing activities		
Mineral property expenditures	**(43,563)**	(110,557)
Site restoration liability	**-**	(29,500)
Net cash used in investing activities	**(43,563)**	(140,057)
Financing activities		
Shares issued for mineral property resources	**28,000**	-
Proceeds from sale of investments	**201,896**	-
Proceeds from exercise of warrants	**-**	70,000
Due from related parties	**61,400**	45,315
Net cash provided by financing activities	**291,296**	115,315
Net change in cash	**(9,237)**	(75,919)
Cash, beginning of period	**(8,972)**	81,681
Cash (bank overdraft), end of period	**$ (18,209)**	$ 5,762

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Tartisan Nickel Corp
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
Unaudited

	Number of shares	Share capital	Units to be issued	Share based payments	Warrants	Cumulative currency translation	Contributed surplus	Deficit	Total
Balance, March 31, 2018	**97,442,391**	**$ 7,858,050**	**$ 8,750**	**$ 193,066**	**$ 911,111**	**$ 66,284**	**$ 710,764**	**$ (242,598)**	**$ 9,505,427**
Shares issued for services	80,000	16,000	-	-	-	-	-	-	16,000
Warrants exercised	1,000,000	70,000	-	-	-	-	-	-	70,000
Warrants expired	-	-	-	-	(82,706)	-	82,706	-	-
Exchange difference on foreign operations	-	-	-	-	-	(9,522)	-	-	(9,522)
Net loss for the period	-	-	-	-	-	-	-	(3,943,352)	(3,943,352)
Balance, June 30, 2018	98,522,391	7,944,050	8,750	193,066	828,405	56,762	793,470	(4,185,950)	5,638,553
Balance, March 31, 2019	99,562,391	8,071,829	8,750	133,661	358,067	54,068	1,287,434	(5,616,306)	4,297,503
Shares issued for mineral property	700,000	28,000	-	-	-	-	-	-	28,000
Fair value of warrants expired	-	-	-	-	(358,067)	-	358,067	-	-
Net loss for the period	-	-	-	-	-	-	-	(183,313)	(183,313)
Balance, June 30, 2019	100,262,391	$ 8,099,829	$ 8,750	$ 133,661	$ -	$ 54,068	$ 1,645,501	$ (5,799,619)	$ 4,142,190

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

1. Nature of operations and going concern

Nature of business

Tartisan Nickel Corp. (formerly Tartisan Resources Corp.") ("Tartisan" or the "Company") was incorporated on March 18, 2008 under the Business Corporations Act (). The Company's registered office is at 44 Victoria Street, Suite 1060, Toronto, Ontario, M5C 1Y2. The Company is listed on the Canadian Securities Exchange ("CSE"), trading under the symbol "TN" and is currently a member of the CSE Composite Index. On February 20, 2018, the shareholders of Tartisan approved the change of the Company's name to Tartisan Nickel Corp.

The Company is in the business of acquiring, exploring for and developing mineral properties in Canada and in Peru. Substantially all of the efforts of the Company are devoted to these business activities. The ability of the Company to carry out its business plan rests with its ability to achieve profitable business operations, to secure equity and other financing.

Although the Company has taken steps to verify title to the properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

Going concern uncertainty

At each reporting period, management assesses the basis of preparation of the financial statements. These financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These financial statements do not include any adjustments to amounts and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

For the three and six months ended September 30, 2019, the Company incurred a net loss of $183,313 (three and six months ended September 30, 2018 - $ 3,943,352) and had negative operating cash flows of $256,970 (September 30, 2019 - $51,177). The Company has an accumulated deficit of $5,799,619 since inception (March 31, 2019 - $5,616,306) and does not have sufficient cash and receivables as at September 30, 2019 to meet its expected obligations over the next twelve months. These conditions raise material uncertainties which may cast significant doubt as to the Company's ability to continue as a going concern. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to generate cash flows from operations and to complete negotiations to obtain and successfully close additional funding from debt financing, equity financing's or through other arrangements. While the Company has been successful in arranging financing in the past, there can be no assurance the debt financing or any equity offering will be successful. These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern.

While the Company has been successful in securing financing's in the past, there is no assurance that it will be able to do so in the future. Accordingly, these consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these consolidated financial statements.

1. Nature of operations and going concern (continued)

There are numerous risks involved in the mineral exploration industry. The Company’s current or future operations, including development activities, are subject to environmental regulations which may make operations not economically viable or prohibit them altogether. The success of the operations and activities are dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of outside contractors, experts and other advisors.

2. Basis of preparation

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of November 29, 2019, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended March 31, 2019, other than those noted below. Any subsequent changes to IFRS that are given effect in the Company’s annual financial statements for the year ending March 31, 2020 could result in restatement of these unaudited condensed interim consolidated financial statements.

Basis of preparation

These unaudited condensed interim consolidated have been prepared on the historical cost basis and presented in Canadian dollars.

Basis of consolidation

These unaudited condensed interim consolidated include the accounts of the Company and its wholly-owned subsidiaries, Canadian Arrow Mines Limited (“Canadian Arrow”), and Minera Tartisan Perú S.A.C. (“Minera”), which is incorporated in Peru. All significant inter-company transactions have been eliminated upon consolidation.

3. Significant accounting policies

Change in accounting policies

(a) Leases and right-of-use assets

In January 2016, the IASB issued IFRS 16 - Leases ("IFRS 16"), replacing IAS 17 - Leases. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its statement of financial position, providing the reader with greater transparency of an entity’s lease obligations.

At April 1, 2019, the Company adopted the following and there was no material impact on the Company's financial statements. The Company adopted IFRS 16 using the modified retrospective approach and accordingly the information presented for 2018 has not been restated. It remains as previously reported under IAS 17 and related interpretations.

3. Significant accounting policies (continued)

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

The Company adopted this standard and the impact on the Company's unaudited condensed interim consolidated financial statements and there was no material impact.

(b) Uncertainty over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC Interpretation 23 Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company adopted this standard at January 1, 2019 and there was no material impact on the Company's unaudited condensed interim consolidated financial statements.

(Expressed in Canadian Dollars)

4. Mineral properties

	. Sill Lake	Alexo	Kenbridge	Ichuna	Don Pancho	Total
March 31, 2018	$ -	$ 334,208	$ 1,843,276	$ 112,500	$ 120,000	$ 2,409,984
Additions and acquisition	-	34,053	116,143	-	-	150,196
Sale	-	(368,261)	-	-	-	(368,261)
March 31, 2019	$ -	$ -	$ 1,959,419	$ 112,500	$ 120,000	$ 2,191,919
Additions and acquisition	43,563	-	-	-	-	43,563
June 30, 2019	**$ 43,563**	**$ -**	**$ 1,959,419**	**$ 112,500**	**$ 120,000**	**$ 2,235,482**

Don Pancho Property

On March 30, 2017, Tartisan announced the closing of the acquisition of the Don Pancho polymetallic zinc-lead-silver manganese project in Peru.

Tartisan acquired a 100% undivided interest in the Don Pancho property by paying $50,000 and issuing 500,000 common shares valued at $0.14 per share totaling. $70,000. Upon completion of 5,000 metres of drilling and/or underground development a further 150,000 shares are payable, and if a NI 43-101 compliant resource is published, a further 150,000 shares are payable, and if the Company loses control of the Don Pancho project either by sale or joint-venture, a further 200,000 shares are payable. Duran Ventures will retain a 2% net smelter return royalty, of which half (1%) can be purchased by Tartisan for US$500,000.

The Don Pancho polymetallic project is located in the Province of Huaral, in the Department of Lima Peru, 105 kilometres north-northeast of Lima, comprising one concession of 600 hectares and located approximately between 3,660 meters and 4,487 meters above sea level. A Technical Report on the Don Pancho Polymetallic Project (Zn, Pb,Ag,Mn) NI 43-101 has been filed on Duran Ventures SEDAR profile (2014).

Ichuna Property

On May 24, 2017, Tartisan completed the acquisition of the Ichuña Copper-Silver property in located in the Department of Moquegua in Southern Peru. Tartisan entered into an agreement with Duran Ventures Inc. (“Duran”) to acquire 100 per cent interest in the Ichuña copper-silver property by paying Duran a cash payment $50,000 and issuing 500,000 shares valued at $0.125 per share totaling $62,500. Upon completion of 5,000 metres of drilling and/or underground development a further 150,000 shares are payable, and if a NI 43-101 compliant resource is published, a further 150,000 shares are payable, and if the Company loses control of the Don Pancho project either by sale or joint-venture, a further 200,000 shares are payable. Duran retains a 2% NSR of which Tartisan may purchase half (1%) of the NSR for US$500,000. The Ichuña property is contiguous to San Gabriel project owned by Peru’s largest mining company Minas Buenaventura (“Buenaventura”).

(Expressed in Canadian Dollars)

4. Mineral properties (continued)

Canadian Arrow Mines Limited (Kenbridge and Alexo Properties)

Effective on February 28, 2018, Tartisan closed the acquisition of Canadian Arrow Mines Limited ("Canadian Arrow") announced on October 20, 2017. Tartisan acquired all of the issued and outstanding common shares of Canadian Arrow by issuing common shares in the capital of Tartisan. Pursuant to the terms of the Agreement, Tartisan issued to each Canadian Arrow Mines Limited shareholder one common share of Tartisan for every 17.5 common shares of Canadian Arrow, resulting in the issuance of 7,858,841 common shares at a price of $0.15 per share of Tartisan. Additionally, Tartisan would issue up to 4,056,767 common shares of Tartisan at $0.15 per share to settle certain Canadian Arrow debt of $608,515 pursuant to debt conversion agreements with various Canadian Arrow creditors. Transaction costs of $130,646 have been included in the consideration paid to acquire Canadian Arrow. In addition, Canadian Arrow granted a 1% Net Smelter Return Royalty relating to its Kenbridge project as part of the debt settlement as it related to a previous loan.

This transaction did not meet the definition of a business combination and therefore, has been accounted for as an asset purchase of mineral property interests with the Company acquiring the outstanding shares of Canadian Arrow effective February 28, 2018 upon the final closing of the agreement. The consideration for the acquisition of Canadian Arrow has been allocated at the fair market value of the assets acquired and liabilities assumed, based on managements' best estimates and taking into account of the information available at the time of the acquisition.

The fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed is summarized in the following table:

Purchase consideration	
Common shares	$ 1,178,826
Debt settlements	$ 696,600
Transaction costs	$ 130,646
Total purchase price	$ 2,006,072

Net assets acquired	
Cash	$ 21,757
Accounts receivable	$ 15,916
Reclamation deposit	$ 277,608
Kenbridge exploration asset	$ 1,843,274
Alexo-Kalex exploration asset	$ 334,208
Total assets acquired	$ 2,492,763
Less:	
Accounts payable	$ (210,310)
Site restoration liability	$ (276,381)
Total net assets acquired	$ 2,006,072

The Company's subsidiary, Canadian Arrow, had originally recorded a site restoration liability of $246,881 (March 31, 2018 - $276,381) for the cost of restoring the Alexo project relating to bulk samples and mining in prior years. These costs are estimated by management and approved by the Ontario Ministry of Northern Development and Mines ("MNDM"). As part of the sale of the Alexo property, this restoration liability has been transferred to the buyer with no remaining obligation to the Company.

(Expressed in Canadian Dollars)

4. Mineral properties (continued)

Sale of Alexo-Kalex Nickel Deposit Project

In October, 2018, the Company signed a Definitive Purchase Agreement with VaniCom Resources Limited ("VaniCom") of Perth, Western Australia for the sale of a 100% interest in the Company's Alexo-Kelex Nickel Deposit Project ("Alexo") located near Iroquois Falls, Ontario (the "Property"). The purchase terms included Cdn. $150,000 to the Company in cash on closing of the Definitive Purchase Agreement. In addition, VaniCom will issue the Company 1,750,000 common shares in the capital of VaniCom with a deemed value of Cdn. $350,000 and subject to a six-month hold period. The Company will receive a 0.5% Net Smelter Return Royalty on any future production from Alexo.

The Company was required to issue reclamation bonds to cover the estimated restoration costs. As at September 30, 2019, a reclamation deposit of $277,608 was held by the MNDM and will be released to the Company upon the MNDM being satisfied with the site restoration. The Definitive Purchase Agreement resulted in all risks and rewards from Alexo being transferred to VaniCom with the exception of the reclamation deposit of $277,608 for which the rights remain with the Company.

The Definitive Purchase Agreement also includes a requirement that VaniCom incur expenditures of at least Cdn. $750,000 on exploration and development on the Property over a 36-month period.

Sale consideration		
Vanicom shares - 1,750,000	$	350,000
Cash	$	150,000
Site restoration liability	$	246,881
Total sale price	$	746,881
Carrying cost of Alexo mineral property	$	(368,261)
Gain on sale of Alexo mineral property	$	378,620

The Company recorded a gain on the sale of the Alexo-Kalex Nickel Deposit Project of $378,620. The shares of VaniCon owned by the Company represent 3% of the total issued and outstanding shares of VaniCon.

Sill Lake Property

During the three months ended September 30, 2019 the Company completed the acquisition agreement with Klondike Bay Resources Limited to purchase a 100% interest in certain claims in the Sault Ste. Marie Mining District of Ontario.

The claims are located in Vankoughnet Township, Sault Ste. Marie Mining District, Ontario and the purchase terms call for total cash payments of $15,000; the issuance of 700,000 common shares in the capital of Tartisan Nickel Corp. and a 2% net smelter return royalty (subject to a 1% buy-back provision for $250,000).

(Expressed in Canadian Dollars)

5. Property and equipment

	September 30, 2019			March 31, 2019		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Machinery and equipment	$ 15,504	$ 11,806	$ 3,698	$ 15,504	$ 11,396	$ 4,108
	$ 15,504	$ 11,806	$ 3,698	$ 15,504	$ 11,396	$ 4,108

6 Investments

Investment in Eloro Resources Ltd

	As at September 30, 2019	As at March 31, 2019
Common shares - 4,980,500 shares (2018 - 6,000,000)	**$ 1,294,832**	$ 1,491,000
Warrants - 3,000,000 warrants (2018 - 3,000,000)	**12,500**	12,500
	$ 1,307,332	$ 1,503,500

The Common shares and Warrants of Eloro Resources Ltd. ("Eloro") were acquired by Tartisan for investment purposes and depending on the restrictions imposed by the Lock-Up Agreement, market and other conditions, it may from time to time in the future increase or decrease its ownership, control or direction over securities of Eloro through market transactions, private agreements, or otherwise.

As at the September 30, 2019 year-end, the Company had 13.7% (March 31, 2019 – 16.4%) of the outstanding common shares of Eloro, Tartisan does not exert significant influence on Eloro since it does not have representation on the Board of Directors, does not participate in management or decision-making processes, does not share in any management personnel and there are no material business dealings or transactions between the Tartisan and Eloro going forward. Therefore, the Company is accounting for the Common Shares and Warrants of Eloro as an investment.

During the three months ended September 30, 2019 the Company sold 1,019,500 shares of Eloro and as a result recorded a loss from sale of investments of $55,168 in the statement of comprehensive loss.

As of September 30, 2019, the Eloro common shares were valued at $1,294,832 (March 31 2019 - $1,491,000) based on the market price of $0.26 (March 31, 2019 - $0.25). The 3,000,000 Eloro warrants were valued at $12,500 (March 31, 2019 - $12,500) using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0% (March 31, 2018 – 0%); (ii) expected volatility of 45.75% (March 31, 2019 - 60%) (iii) risk free rate of 1.60% (March 31, 2019 - 1.75%); and (iv) with an expected life of 0.55 years (March 31, 2019 - 0.5 years). The investments in common shares are considered a Level 1 and the warrants are Level 2 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Eloro, an unrealized gain of $60,457 (2019 - loss $3,435,686) has been recorded in the statement of comprehensive gain and loss.

(Expressed in Canadian Dollars)

6. Investments (continued)

Investment in VaniCom Resources Ltd.

During the year ended March 31, 2019 the Company acquired 1,750,000 shares of VaniCom, a private arms-length corporation existing under the laws of Australia. The shares were acquired in consideration for property sold by the Company to Vanicom at a price of $0.20 per share. During the six months ended September 30, 2019, as a result of a reverse take-over transaction conducted by VaniCom and Class 1 Nickel Technologies Limited ("Class 1"); the shares of VaniCom were exchanged for 1,529,720 shares of Class 1. The total shares owned by the Company represents a minority interest of the total issued and outstanding shares of Class 1. The shares held in Class 1 are classified as FVTPL and are a level 2 investment.

Fair value hierarchy

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at September 30, 2019.

	Level 1	Level 2	Level 3	Total
Investments	$ 1,294,832	$ 362,500	$ 0	$ 1,657,332
	$ 1,294,832	**$ 362,500**	**$ -**	**$ 1,657,332**

7. Share capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

On May 31, 2019 the Company issued 700,000 common shares to acquire various mineral property claims located in Vankoughnet Township, Sault Ste. Marie Mining District, Ontario

On April 30, 2018, a total of 1,000,000 previously issued warrants were exercised at $0.07 per unit for an aggregate gross proceeds of $70,000.

On April 3, 2018, the Company issued 40,000 common shares at $0.20 per common share for aggregate gross proceeds of $8,000. The common shares were exchanged for online advertising, marketing and branding services to increase the brand awareness.

(Expressed in Canadian Dollars)

7. Share capital (continued)

Units to be issued

As of April 1, 2013, 195,000 units at $0.10-$0.15 per unit were issuable for cash proceeds received of $24,250. Each unit consists of one common share and one-half of one common share purchase warrant. Each full warrant is exercisable into one common share at an exercise price of $0.20-$0.25 expiring through to April 9, 2014. During 2014, 145,000 of the foregoing units were issued. Therefore, as of March 31, 2019 and March 31, 2018, there were 50,000 units remaining to be issued for cash proceeds received of $5,000.

8. Stock options

On December 21, 2010, the Company's stock option plan (the "Option Plan") was approved by the Board of Directors. Pursuant to the terms of the Option Plan, the Board may designate directors, officers, employees and consultants of the Company eligible to receive options to acquire such numbers of common shares as the Board may determine, each option so granted being for a term specified by the Board up to a maximum of five years from the date of grant. The maximum number of common shares reserved for issuance for options granted under the Option Plan at any time is 10% of the issued and outstanding common shares of the Company.

	Number of stock options	Weighted average exercise price
Balance, March 31, 2018 and June 30, 2018	3,900,000	$ 0.07
Balance, March 31, 2019 and September 30, 2019	2,700,000	$ 0.07

The following table reflects the actual stock options issued and outstanding as of September 30, 2019:

Expiry date	Exercise price ($)	Weighted average Remaining contractual life (years)	Number of options outstanding
June 7, 2021	0.07	1.93	2,700,000

9. Warrants

On April 30, 2018, a total of 1,000,000 previously issued warrants were exercised at $0.07 per unit for an aggregate gross proceeds of $70,000.

During the six months ended September 30, 2019 all outstanding warrants expired.

(Expressed in Canadian Dollars)

9. Warrants (continued)

	Number of warrants	Weighted average exercise price
Balance, March 31, 2018	12,303,384	$ 0.18
Exercised	(1,000,000)	0.07
Balance, June 30, 2018	11,303,384	$ 0.19
Balance, March 31, 2019	3,400,000	$ 0.25
Expired	(3,400,000)	0.25
Balance, September 30, 2019	-	$ -

10. Related party transactions

The Company paid or accrued the following amounts to related parties of the Company as defined as directors, management, and companies controlled by directors and management or companies having common directors during the three and six months ended September 30, 2019 and September 30, 2018:

	2019	2018
Chief Financial Officer services	$ 17,015	$ -
Consulting and management fees	50,000	60,000
Director fees	9,000	9,000
	$ 76,015	$ 69,000

As of September 30, 2019, accounts payable and accrued liabilities include $23,355 (March 31, 2019 - $49,873) due to these related parties.

Amounts due from related parties are due from a senior advisor of the Company and bears interest at 2.5% per annum, due on demand and secured by specific investment holdings held by the borrower.

11. Loss per share

For the period ended September 30, 2019, basic and diluted loss per share has been calculated based on the loss attributable to common shareholders of and $183,313, respectively (three and six months ended March 31, 2019 - and $3,943,352, respectively) and the weighted average number of common shares outstanding of 99,737,391 and 99,737,391, respectively (three and six months ended March 31, 2019 - 98,520,652 and 98,357,145, respectively). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

(Expressed in Canadian Dollars)

12. Commitments and contingencies

On June 22, 2017, Tartisan was served with court documents in Peru relating to a legal claim for labour rights filed by a former general manager of the Company. In January 2017, Tartisan had previously reached a settlement agreement with the claimant and had paid the settlement amount satisfactory to the claimant and with no further amounts or obligations due. On April 16, 2018, the Company through a court proceeding successfully entered into a settlement agreement with the claimant for an amount substantially lower than the original amount sought by the claimant. The proceeding has now terminated.

On June 14, 2018, Tartisan was served with court documents in Canada relating to a legal claim by a supplier under contract with the Company. The Company intends to vigorously defend this case in court and has filed a defense and counterclaim against the supplier. No amount has been accrued in the financial statements.

13. Segmented disclosure

As at September 30, 2019	Peru	Canada	Total
Current assets	$ 3,964	$ 309,730	$ 313,694
Non current assets	70,770	4,103,350	4,174,120
For the three months ended June 30, 2019			
Net income (loss)	(410)	(183,723)	(184,133)

As at March 31, 2019	Peru	Canada	Total
Current assets	$ 3,969	$ 302,476	$ 306,445
Non current assets	71,020	4,256,554	4,327,574
For the three months ended June 30, 2018			
Net income (loss)	(24,387)	(1,956,378)	(1,980,765)