

International Battery Metals Ltd.

(Formerly – Rheingold Exploration Corp.)

Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED 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 condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of International Battery Metals Ltd. (the "Company", formerly - "Rheingold Exploration Corp.") have been prepared by and are the responsibility of the Company's management. The unaudited condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimate and judgements based on information currently available.

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

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

As at	Note	April 30, 2018	January 31, 2018
ASSETS			
Current assets			
Cash		\$ 1,033,828	\$ 231,346
Amounts receivable		40,828	24,895
Prepaid expenses		553,572	23,608
Total current assets		1,628,228	279,849
Deferred acquisition costs	5	-	703,277
Intangible assets	5, 6	3,852,302	-
		\$ 5,480,530	\$ 983,126
LIABILITIES			
Current liabilities			
Trade payables and other payables		\$ 215,261	\$ 165,404
Loan payable	8	10,932	71,872
Total current liabilities		226,193	237,276
Shareholders' equity			
Share capital	9	6,763,059	2,656,465
Obligation to issue shares	5	55,000	-
Reserves	9	3,298,185	2,178,310
Subscriptions received	11	252,000	-
Deficit		(5,113,907)	(4,088,925)
		5,254,337	745,850
		\$ 5,480,530	\$ 983,126

Approved and Authorized by the Board on 29 June 2018:"John Burba"

Director

"Logan Anderson"

Director

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

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	Note	2018	2017
Expenses			
Advertising and promotion	\$	269,989	\$ -
General and administrative		615,933	45,107
Loan interest	8	139,060	-
Operating loss		(1,024,982)	(45,107)
Gain on debt settlement		-	5,000
Loss and comprehensive loss for the year	\$	(1,024,982)	\$ (40,107)
Loss and comprehensive loss per share, basic and diluted	\$	(0.03)	\$ (0.01)
Weighted average number of common shares outstanding		32,396,457	16,879,645

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

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Condensed Consolidated Interim Statements of Cash Flows

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	Note	2018 \$	2017 \$
Cash flows used in operating activities			
Net loss for the period		(1,024,982)	(40,107)
Expense from prior period		-	470
Non-cash transactions:			
Share-based payments	9	263,538	-
Interest accretion	8	134,795	-
Accrued interest on convertible debt	8	4,265	-
Changes in operating assets and liabilities			
Decrease (increase) in amounts receivable		(15,933)	3,121
Increase in prepaid expenses		(529,964)	-
Increase (decrease) in trade payables and accrued liabilities		49,857	(30,093)
Net cash used in operating activities		(1,118,424)	(66,609)
Cash flows from investing activities			
Intangible asset		(509,025)	-
Net cash used in investing activities		(509,025)	-
Cash flows from financing activities			
Proceeds from issuance of shares, net		2,377,931	10,000
Advances on private placement		252,000	-
Repayment of loan payable		(200,000)	-
Net cash provided from financing activities		2,429,931	10,000
Increase (decrease) in cash and cash equivalents		802,482	(56,609)
Cash and cash equivalents, beginning of period		231,346	238,451
Cash and cash equivalents, end of period		1,033,828	181,842

Supplemental Disclosures with Respect to Cash Flows (Note 10)

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

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Interim Statements of Changes in Equity

(Expressed in Canadian Dollars)

(Unaudited)

	Common Shares	Share Capital \$	Obligation to Issue Shares \$	Reserves \$	Subscriptions Received \$	Deficit \$	Total Equity \$
Balance at January 31, 2017	16,849,760	924,961	-	391,718	-	(1,118,956)	197,723
Warrants exercised	100,000	12,372	-	(2,372)	-	-	10,000
Loss for the period	-	-	-	-	-	(40,107)	(40,107)
Balance as at April 30, 2017	16,949,760	937,333	-	389,346	-	(1,159,063)	167,616
Balance as at January 31, 2018	26,987,530	2,656,465	-	2,178,310	-	(4,088,925)	745,850
Shares issued for							
Acquisition	4,700,000	2,585,000	-	-	-	-	2,585,000
Private placements	3,193,554	605,000	-	512,744	-	-	1,117,744
Share issue costs – cash	-	(58,499)	-	-	-	-	(58,499)
Obligation to issue shares to finder for acquisition	-	-	55,000	-	-	-	55,000
Warrants exercised	2,319,300	576,907	-	542,129	-	-	1,119,036
Options exercised	605,000	398,186	-	(198,536)	-	-	199,650
Subscriptions received	-	-	-	-	252,000	-	252,000
Share-based payments	-	-	-	263,538	-	-	263,538
Loss for the period	-	-	-	-	-	(1,024,982)	(1,024,982)
Balance as at April 30, 2018	37,805,384	6,763,059	55,000	3,298,185	252,000	(5,113,907)	5,254,337

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

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

1. Nature and Continuance of Operations

International Battery Metals Ltd. (formerly Rheingold Exploration Corp.), (the “Company”) was incorporated under the laws of the province of British Columbia on 29 July 2010. The Company changed its name from Rheingold Exploration Corp. to International Battery Metals. Ltd. on August 28, 2017.

The Company’s head office is located at Suite 510 744 West Hastings Street, Vancouver, British Columbia, V6C 1A5 and the Company’s registered and records office is located at 725 Granville Street, Pacific Centre, Suite 400, Vancouver, BC V7Y 1G5.

The Company is a mining exploration company involved in acquiring intangible assets and acquiring and exploring for metals commonly used in the production of batteries.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

2. Basis of preparation and consolidation

These condensed consolidated interim financial statements of the Corporation have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and in accordance with International Accounting Standard (“IAS”) IAS 34 “Interim Financial Reporting”.

All inter-company transactions and balances have been eliminated upon consolidation. The Company’s functional and presentation currency is the Canadian dollar.

These condensed consolidated interim financial statements do not include all of the information required for complete annual financial statements and should be read in conjunction with the Company’s audited annual financial statements for the year ended January 31, 2018.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on June 29, 2018.

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

3. Summary of Significant Accounting Policies

The same accounting policies are used in the preparation of these condensed consolidated interim financial statements as for the most recent audited annual financial statements and reflect all the adjustments necessary for fair presentation of the results for the interim periods presented, with exception to the following:

Basis of Consolidation

In addition to the Company, the consolidated financial statements incorporate the financial statements of its wholly owned subsidiary in the United States, Selective Adsorption Lithium (“SAL”) (note 5). A subsidiary is an entity over which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. A subsidiary is consolidated from the date upon which control is acquired by the Company and all intercompany transactions and balances have been eliminated on consolidation.

Intangible assets

Intangible assets include patented technology acquired by the Company and have finite useful lives measured at cost less accumulated amortization and any accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred. Amortization is recorded using the straight-line method and is intended to amortize the cost of the assets over their estimated useful lives as follows:

- Patented technology 10 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Foreign currency

The functional and presentation currency of the Company is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The Company has determined that the functional currency of its foreign subsidiary is the US Dollar. Assets and liabilities are translated to the presentation currency at the year-end rates of exchange, and the results of their operations are translated at average rates of exchange for the year. The resulting translation adjustments are included in the consolidated statements of comprehensive loss.

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

3. Summary of Significant Accounting Policies (Continued)

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are expensed in the period in which they are incurred unless certain criteria, including technical feasibility, commercial feasibility, intent and ability to develop and use the technology, are met for deferral and amortization. Costs incurred in obtaining patents are recorded at cost less accumulated amortization and any impairment losses. Transaction costs relating to the acquisition of technologies are recorded as deferred acquisition costs until the transaction is completed.

4. Significant Accounting Judgements, Estimates and Assumptions

In the preparation of the condensed consolidated interim financial statements the Company has made the following significant critical judgements and estimates:

- The Company made critical judgements to determine the accounting treatment of the acquisition of SAL as an asset acquisition. The benefit of the Company acquiring SAL was the acquisition of its intellectual property
- Management concluded that because SAL did not possess the necessary inputs and processes capable of producing outputs it did not meet the definition of a business as defined by IFRS. Accordingly, the transaction was accounted for as an acquisition of assets and the fair value of the consideration aid was allocated to the assets acquired.
- Evaluating whether the costs incurred by the Company in its acquisition of SAL meet the criteria for capitalizing as intangible assets. Management determined that as the acquisition constituted an acquisition of assets, all transaction costs have been appropriately capitalized.
- The Company assesses the carrying values of its intangible assets annually or more frequently if warranted by a change in circumstances. If it is determined that carrying values of assets cannot be recovered, the unrecoverable amounts are charged against current earnings. Recoverability is dependent upon assumptions and judgements regarding market conditions, costs of production and sustaining capital requirements. Other assumptions used in the calculation of recoverable amounts are discount rates, and future cash flows. A material change in assumptions may significantly impact the potential impairment of these assets.

Other significant judgements in applying the Company's accounting policies relate to the assessment of the Company's ability to operate as a going concern, functional currency determinations and the classification of its financial instruments.

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

5. Acquisition

On April 13, 2018 (the “Closing Date”), the Company acquired all of the issued and outstanding common shares of SAL in exchange for 25,309,488 shares of the Company (the “Performance Shares”) at a price of \$0.225 per share, subject to certain conditions (the “Transaction”).

The consideration for the acquisition, Performance Shares will be issued upon SAL achieving certain milestones (the “Milestones”) as follows:

Milestone	Number of Performance Shares to be issued
Shares on Closing Date (issued on April 13, 2018)	4,700,000
Shares on SAL and the Company filing three US or foreign patent applications with respect to intellectual property	4,000,000
Shares on SAL the Company filling three additional patents with respect to intellectual property	5,536,496
Shares on SAL the Company filling three additional patents with respect to intellectual property	5,536,496
Shares upon the Company completing either of the following: one or more private placements financing(s) resulting in the issuance of an aggregate of no less than 5,000,000 common shares in the Company; or completing a laboratory – scale pilot plant for the processing of lithium or lithium concentrates	5,536,496

As further consideration for the acquisition, during the three-month period ended April 30, 2018, the company paid \$459,025 (US \$350,000) in cash. The 4,700,000 common shares had a fair value of \$2,585,000 at a value of \$0.55 per common share.

The Company incurred \$50,000 in costs associated with the closing of the Transaction and is required to issue 100,000 common shares of the Company with an estimated fair value of \$55,000 in finder’s fees on closing of the acquisition. As at April 30, 2018, the Company recorded an obligation to issue shares of \$55,000 for the finder’s shares to be issued upon successful completion of the milestone.

The Company determined that at the time of acquisition SAL did not qualify as a business, therefore the Transaction was considered an acquisition of the net assets of SAL and accounted for using the acquisition method, whereby the purchase consideration was allocated to the estimated fair values of the identifiable assets and liabilities acquired at the date of the Transaction.

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

5. Acquisition (Continued)

The purchase price was allocated to the net assets acquired in the acquisition as follows:

	Total
Purchase price:	
Performance shares	\$ 2,585,000
Finder's fee	105,000
Transaction costs	1,162,302
	\$ 3,852,302
Net assets acquired:	
Intellectual property	\$ 3,852,302
	\$ 3,852,302

6. Intangible Assets

On April 13, 2018, upon completion of the Transaction (Note 5), the Company acquired certain intellectual property (the "Intellectual Property"), from the shareholders of SAL. The Intellectual Property was recorded at \$3,852,302 and is estimated to have a useful life of 10 years and is being amortized on a straight-line basis.

During the three-month period ended April 30, 2018, the Company recorded \$nil (2017 - \$nil) in amortization expense associated with the Technology

7. Related Party Balances and Transactions

Key management personnel compensation

Key management personnel include directors and officers of the Company. The remuneration of directors and other members of key management are as follows:

	For the period ended 30 April 2018 \$	For the period ended 30 April 2017 \$
Share-based payments	263,538	-
Consulting	40,000	-
Directors fees	15,000	-
Management fees, salaries and benefits	45,000	18,857
	363,538	18,857

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

7. Related Party Balances and Transactions (Continued)

Key management personnel compensation

The Company entered into the following transactions with related parties for the three months ended April 30, 2018:

- i. Paid or accrued management fees of \$45,000 to a company controlled by the former President and CEO of the Company;
- ii. Paid or accrued consulting fees of \$40,000 to a company controlled by a director of the Company;
- iii. Paid or accrued director's fees of \$15,000 to the directors of the Company.

Due from/to related parties

Trade payables and accrued liabilities of the Company include the following amounts due to related parties:

	As at 30 April 2018	As at 31 January 2018
	\$	\$
Officers of the Company	16,000	56,482
Total amount due to related parties	16,000	56,482

8. Loans Payable

On October 4, 2017, the Company entered into a loan agreement with Mackie Research Capital Corp. (the "Lender") for \$200,000. The initial term of the loan was for a period of one year with interest payable at ten percent per annum, payable at maturity. As further consideration for providing the loan, the Company granted the Lender 500,000 special units (fair valued at \$200,000), exercisable at \$0.40 into an underlying unit of one common share and one common share purchase warrant. Each underlying warrant will be exercisable for a period of two years at an exercise price of \$0.52.

During the three-month period ended April 30, 2018, the Company recorded an accretion expense of \$134,795 (2017 - \$nil) related to this debt and accrued interest of \$4,265 (2017 - \$nil).

The principle balance of the loan was repaid on April 17th, 2018. The remaining balance of \$10,932 relates to accrued interest on the loan.

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

9. Share Capital

Authorized

The total authorized capital are an unlimited number of common shares with no par value.

Share Issuances

Three months ended April 30, 2018

During the three-month period ended April 30, 2018, the Company:

- a) Closed a non-brokered private placement by issuing 3,193,554 units at a price of \$0.35 per unit for gross proceeds of \$1,117,744. Each unit consisted of one common share and one common share purchase warrant, with each warrant exercisable to purchase one additional common at an exercise price of \$0.70 per share for a period of two years and is subject to certain acceleration provisions. A finder's fee of \$58,499 is included in trade payables and other payables in connection with the closing of the private placement.
- b) Issued 605,000 common shares on the exercise of 605,000 options for proceeds of \$199,650.
- c) Issued 2,319,300 common shares on the exercise of 2,319,300 warrants for proceeds of \$1,119,036. 2,219,300 common shares exercised were eligible for a warrant incentive program whereby the Company granted an additional warrant of \$0.75 per share for a period of two years from the date of issuance upon the exercise of certain outstanding warrants. The issuance of incentive warrants is accounted for as a modification to share purchase warrants reserve and the Company determined the fair value of these incentive warrants to be \$967,200 using the Black-Scholes Option Pricing Model.
- d) Issued 4,700,000 common shares with a value of \$2,585,000 for the acquisition of SAL (Note 5) at an estimated fair value of \$0.55 per common share.

Three months ended April 30, 2017

On April 4, 2017 the Company issued 100,000 common shares on the exercise of 100,000 warrants for proceeds of \$10,000.

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

9. Share Capital (Continued)

Stock Options

Stock options outstanding and exercisable as at April 30, 2018 were as follows:

Exercise price	Expiry date	Balance January 31, 2018	Expired	Issued	Granted	Balance April 30, 2018
\$0.33	30 June 2018	150,000	-	-	-	150,000
\$0.33	30 June 2022	800,000	(100,000)	(605,000)	-	95,000
\$0.33	10 May 2018	50,000	-	-	-	50,000
\$0.62	10 May 2018	30,000	-	-	-	30,000
\$0.62	23 October 2022	820,000	-	-	-	820,000
\$0.45	12 January 2023	50,000	-	-	-	50,000
\$0.36	19 March 2021	-	-	-	600,000	600,000
Total		1,900,000	(100,000)	(605,000)	(600,000)	1,795,000
Weighted average exercise price		0.46	0.33	0.33	0.36	0.43
Weighted average life in years		4.07	-	-	-	2.58

Share Purchase Warrants

Share purchase warrants outstanding as at April 30, 2018 were as follows:

Exercise price	Expiry date	Balance January 31, 2018	Exercised	Issued	Balance April 30, 2018
\$0.25	6 December 2018	959,000	(100,000)	-	859,000
\$0.25	6 December 2018	246,500	-	-	246,500
\$0.52	17 August 2019	675,000	(50,000)	-	625,000
\$0.52	16 October 2019	160,000	-	-	160,000
\$0.52	16 October 2019	4,324,300	(1,669,300)	-	2,155,000
\$0.40	4 October 2019	-	(500,000)	500,000	-
\$0.75	27 March 2020	-	-	700,000	700,000
\$0.70	13 April 2020	-	-	3,193,554	3,193,554
\$0.75	16 April 2020	-	-	19,300	19,300
\$0.75	18 April 2020	-	-	1,500,000	1,500,000
Total		6,364,800	(2,319,300)	5,912,854	9,958,354
Weighted average exercise price		0.47	0.48	0.69	0.60
Weighted average life in years		4.07	-	-	2.58

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

9. Share Capital (Continued)

Fair Value Determination

The weighted average fair value of stock options granted was \$0.43 (2017 - \$nil). The total calculated fair value of share-based payments recognized of \$263,538 (2017 – nil) was granted to directors and officers of the Company.

Fair values were estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2018		2017	
	Options	Warrants	Options	Warrants
Risk-free interest rate	1.76%	1.86%	N/A	N/A
Expected share price volatility	260.00%	210.00%	N/A	N/A
Expected option/warrant life (years)	3.00	2.00	N/A	N/A
Expected dividend yield	0.00%	0.00%	N/A	N/A

The expected volatility assumptions have been developed taking into consideration historical volatility of the Company's share price.

Reserves transactions:

	Stock Option	Warrant Reserve	Reserves
	\$	\$	\$
Balance at January 31, 2017	92,565	299,153	391,718
Warrants exercised		(2,372)	(2,372)
Balance at April 30, 2017	92,565	296,781	389,346
Balance as at January 31, 2018	1,088,932	1,089,378	2,178,310
Private Placement	-	512,744	512,744
Warrants exercised	-	(425,071)	(425,071)
Warrants issued for warrants excised	-	967,200	967,200
Stock options exercised	(198,536)	-	(198,536)
Stock options granted	263,538	-	263,538
Balance at April 30, 2018	1,153,934	2,144,251	3,298,185

International Battery Metals Ltd.

(Formerly - Rheingold Exploration Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

10. Supplemental Disclosures with Respect to Cash Flows

	For the period ended 30 April 2018 \$	For the year ended 31 January 2018 \$
Cash paid during the year for interest	5,000	6,667
Allocation of proceeds to warrants attached to units	512,744	638,819
Warrants issued for finders' fees	-	123,200
Shares issued for mineral property	-	49,820
Shares issued for acquisition	2,585,000	-

11. Subsequent Events

Subsequent to April 30, 2018, the Company:

- a) Closed a private placement by issuing 6,200,000 units at a price of \$0.35 per unit for gross proceeds of \$2,170,000. Each unit consisted of one common share and one half of one common share purchase warrant, with each full warrant exercisable to purchase one additional common share at an exercisable price of \$0.70 per share for a period of two years and is subject to certain acceleration provisions. The units have a fair value of \$587,000 calculated using the Black Scholes pricing model. Finder's fees of cash of \$324,162, 100,000 common shares, 620,000 compensation options and 300,000 special unit warrants were issued in connection with closing of the private placement. The finders units have a fair value of \$285,679 calculated using the Black Scholes Option Pricing model.
- b) Closed a private placement by issuing 799,999 units at a price of \$0.35 per unit for gross proceeds of \$280,000. Each unit consisted of one common share of the Company and one half of one non-transferable share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.70 per share for a period of two years and is subject to certain acceleration provisions. The units have a fair value of \$76,000 calculated using the Black Scholes Options Pricing model. Proceeds of \$252,000 were received during the three-month period ended April 30, 2018.