Legion Metals Corp.

Condensed Interim Financial Statements
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)
September 30, 2017

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

The accompanying unaudited condensed interim financial statements of Legion Metals Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed 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 interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Professional Accountants for a review on interim financial statements by an entity's auditor.

Legion Metals Corp.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	As at September 30 2017 (Unaudited) $	As at March 31 2017 (Audited) $
Assets		
Current		
Cash	382,689	121,866
Accounts receivable	2,244	-
Share subscription receivable (Note 6)	-	2,000
	384,933	123,866
Exploration and evaluation property (Note 5)	150,000	-
	534,933	123,866
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 7)	1,352	14,920
	1,352	14,920
Shareholders' Equity		
Share capital (Note 6)	588,045	124,500
Reserves	27,901	-
Deficit	(82,365)	(15,554)
	533,581	108,946
	534,933	123,866

Nature and Continuance of Operations (Note 1) and **Subsequent Events** (Note 9)

Approved and Authorized by the Board on October 19, 2017:

"Peter Smith" Director *"Paul Pedersen"* Director

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

Legion Metals Corp.
Condensed Interim Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the three months ended September 30 2017 (Unaudited) $	For the six months ended September 30 2017 (Unaudited) $
Expenses		
Bank charges and interest	38	205
Filing fees	13,430	26,234
Professional fees	30,372	33,372
Share-based compensation (Note 6 and 7)	-	7,000
Loss and comprehensive loss for the period	43,840	66,811
Loss and comprehensive loss per share, basic and diluted	(0.005)	(0.009)
Weighted average number of common shares outstanding	8,427,539	7,766,943

Legion Metals Corp.
Condensed Interim Statement of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the three months ended September 30 2017 (Unaudited) $	For the six months ended September 30 2017 (Unaudited) $
Cash provided by (used in)		
Operating activites		
Loss for the period		
Charges not involving cash	(43,840)	(66,811)
Share-based compensation	-	7,000
Changes in operating assets and liabilities:		
Decrease in prepaid expenses	10,500	-
Decrease in share subscription receivable	-	2,000
Increase in accounts receivable	(2,226)	(2,244)
Decrease in accounts payable and accrued liabilities	(19,693)	(13,568)
Cash provided by (used in) operating activities	(55,259)	(73,623)
Financing activities		
Proceeds from issuance of common shares, net of commission (Note 6)	334,446	484,446
Cash provided by (used in) financing activities	334,446	484,446
Investing activities		
Acquisition of exploration and evaluation property (Note 5)	-	(150,000)
Cash provided by (used in) investing activities	-	(150,000)
Change in cash	279,187	260,823
Cash, beginning of period	103,502	121,866
Cash, end of period	382,689	382,689

Supplemental disclosure of non-cash transactions.

Common shares issued for property (Note 6)	$nil	$150,000
Warrants issued as commission for IPO, netted against equity	$nil	$20,901
Amounts paid for interest	$nil	$nil
Amounts paid for taxes	$nil	$nil

Legion Metals Corp.
Condensed Interim Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Common Shares	Share Capital $	Reserves $	Deficit $	Total Equity $
Balance at December 8, 2016 (inception)	-	-	-	-	-
Common shares issued for cash	6,100,000	122,000	-	-	122,000
Common shares issued for property investigation	125,000	2,500	-	-	2,500
Loss for the period	-	-	-	(15,554)	(15,554)
Balance at March 31, 2017	**6,225,000**	**124,500**	**-**	**(15,554)**	**108,946**
Share-based compensation	-	-	7,000	-	7,000
Common shares issued for exploration property	1,500,000	150,000	-	-	150,000
Loss for the period	-	-	-	(22,971)	(22,971)
Balance at June 30, 2017	**7,725,000**	**274,500**	**7,000**	**(38,525)**	**242,975**
Common shares issued for cash – Initial Public Offering	4,039,600	403,960	-	-	403,960
Share issue costs – Initial Public Offering	-	(90,415)	20,901	-	(69,514)
Loss for the period	-	-	-	(43,840)	(43,840)
Balance at September 30, 2017	**11,764,600**	**588,045**	**27,901**	**(82,365)**	**533,581**

1. Nature and Continuance of Operations

Legion Metals Corp. (the "Company") was incorporated under the laws of the province of British Columbia on December 8, 2016. The Company is in the process of completing an Initial Public Offering ("IPO") on the Canadian Securities Exchange ("CSE") (Note 9). The Company is a mining exploration company that is exploring for gold and other precious metals in Nova Scotia.

The Company's registered and records office is 1090 West Georgia Street, Suite 600, Vancouver, British Columbia, V6E 3V7.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the Company will obtain the necessary financing to complete the exploration and development of mineral property interests, or that the current or future exploration and development programs of the Company will result in profitable mining operations. In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its existing commitments, including conducting minimum exploration and evaluation programs and paying for general and administrative expenses. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

2. Statement of compliance and basis of presentation

The condensed interim financial statements of the Company were approved and authorized for issue by the Board of Directors on October 19, 2017.

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of companies consistent with those applied in the Company's annual financial statements for the period ended March 31, 2017.

There is no comparable period.

The Company's financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value and are presented in Canadian dollars except where otherwise indicated.

The condensed interim financial statements of the Company, have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") 34 as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Accounting standards issued but not yet effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

2. Statement of compliance and basis of presentation (continued)

Effective for annual periods beginning on or after January 1, 2018

IFRS 9, *Financial Instruments – Classification and Measurement*

IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and Measurement.*

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

IFRS 15, *Revenue from Contracts with Customers:*

IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

Effective for annual periods beginning on or after January 1, 2019

IFRS 16, *Leases*

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

3. Summary of Significant Accounting Policies

Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously 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. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the valuation of all liability and equity instruments, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

3. Summary of Significant Accounting Policies (Continued)

Significant accounting judgements, estimates and assumptions (continued)

These financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

Cash

Cash is defined as cash on hand, cash held in trust and in bank.

Exploration and evaluation properties

Acquisition cost for exploration and evaluation assets include the cash consideration and the fair value of equity instruments issued for exploration and evaluation assets pursuant to agreement terms. Exploration and evaluation expenditures are expensed. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use at that time.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis

3. Summary of Significant Accounting Policies (Continued)

Decommissioning, restoration and similar liabilities (continued)

as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

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 the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the reporting period.

Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that (i) net earnings (loss) attributable to common shareholders are adjusted for fair value gains or losses of warrants (if dilutive) and (ii) the weighted average number of common shares outstanding is adjusted for the number of shares that are potentially issuable in connection with stock options and warrants (if dilutive). Under this method, the Company assumes that outstanding dilutive stock options and warrants were exercised and that the proceeds from such exercises (after adjustment of any unvested portion of stock options) were used to acquire common stock at the average market price during the reporting periods. For the period presented, this calculation proved to be anti-dilutive.

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income (loss) or equity is recognized in other comprehensive income (loss) or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3. Summary of Significant Accounting Policies (Continued)

Income taxes (continued)

Deferred income tax:

Deferred income tax is provided for, based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss (“FVTPL”), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash is included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset.

3. Summary of Significant Accounting Policies (Continued)

Financial assets (continued)

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Accounts payables and accrued liabilities are included in this category of financial liabilities.

3. Summary of Significant Accounting Policies (Continued)

Financial liabilities (continued)

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

Derecognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3. Summary of Significant Accounting Policies (Continued)

Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(Expressed in Canadian Dollars)

4. Financial Instruments

Categories of financial instruments

FINANCIAL ASSETS	As at September 30 2017 (Unaudited) $	As at March 31 2017 (Audited) $
FVTPL, at fair value		
Cash	382,689	121,866
Accounts receivable	2,244	-
Total financial assets	384,933	121,866
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Accounts payable and accrued liabilities	1,352	14,920
Total financial liabilities	1,352	14,920

The fair value of financial assets and financial liabilities at amortized cost is based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

(Expressed in Canadian Dollars)

4. Financial Instruments (Continued)

Categories of financial instruments (continued)

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

	Fair value hierarchy	FVTPL, at fair value	Held-to-maturity and loans and receivables	Other liabilities, at amortized cost
As at September 30, 2017				
Cash	Level 1	382,689	-	-
Accounts receivable	N/A	-	2,244	-
Account payable and accrued liabilities	N/A	-	-	1,352

	Fair value hierarchy	FVTPL, at fair value	Held-to-maturity and loans and receivables	Other liabilities, at amortized cost
As at March 31, 2017				
Cash	Level 1	121,866	-	-
Share subscription receivable	N/A	-	2,000	-
Account payable and accrued liabilities	N/A	-	-	14,920

There were no transfers between Level 1, 2 and 3 during the periods ended September 30, 2017 or March 31, 2017.

(Expressed in Canadian Dollars)

5. Exploration and Evaluation Properties

The Company's exploration and evaluation properties expenditures for the period ended September 30, 2017 (March 31, 2017 - $nil) were as follows:

	Millen Mountain	Total
ACQUISITION COSTS	**$**	**$**
Balance, December 8, 2016	-	-
Additions	-	-
Balance, March 31, 2017	-	-
Additions	150,000	150,000
Balance, September 30, 2017	**150,000**	**150,000**

During the period ended September 30, 2017 the Company acquired a 100% interest in a mineral exploration license located in Nova Scotia (the "Millen Mountain Property") from Beja Resources Inc. (or its nominees), a related party by way of common directors, in April 2017. As consideration the Company issued 1,500,000 common shares to Beja Resources Inc. on May 9, 2017 (Note 6).

During the period ended September 30, 2017 the Company entered into an agreement with Probe Metals Inc. ("Probe") to grant the option to acquire 50% of the Millen Mountain Property. In order to exercise the option, Probe shall, within 18 months, incur expenditures on the property in the amount of $250,000. Subsequent to the period ended September 30, 2017, the Company and Probe amended the option agreement (Note 9).

6. Share Capital

Authorized

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

Share Transactions

On September 14, 2017, the Company completed its initial public offering and issued 4,039,600 common shares of the Company at $0.10 per common share for total cash proceeds of $403,960. In connection with this offering, the Company paid $80,014 in cash and issued 392,710 agent compensation warrants valued at $20,901. Each agent compensation warrant entitles the holder to purchase one common share of the Company at $0.10 per share for a period of 24 months.

On May 9, 2017, the Company issued 1,500,000 common shares of the Company at $0.10 per common share for a total value of $150,000 to acquire a 100% interest in a mineral exploration license, the Millen Mountain Property (Note 5).

On March 31, 2017, the Company issued 125,000 common shares of the Company at $0.02 per common share for a total value of $2,500 for geological consulting services for the Millen Mountain Property.

On March 31, 2017, the Company issued 6,100,000 common shares of the Company at $0.02 per common share for total proceeds of $122,000 of which $2,000 was recorded as a subscription receivable and subsequently collected.

(Expressed in Canadian Dollars)

6. Share Capital (Continued)

Stock Options

The Company has adopted a stock option plan (the "Plan") pursuant to which it may from time to time, in its discretion, and in accordance with CSE requirements, grant to directors, officers, and consultants to the Company, non-transferable options to purchase common shares of the Company and is the basis for the Company's long term incentive scheme. The Plan is administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board. The maximum number of common shares issuable under the Plan shall not exceed 10% of the number of common shares of the Company issued and outstanding as of each award date, inclusive of all common shares reserved for issuance pursuant to previously granted stock options. The exercise price of options granted under the Plan will not be less than the closing market price of the Company's common shares on the exchange. The options have a maximum term of 5 years from date of issue.

The following is a summary of the changes in the Company's stock option plan for the period ended September 30, 2017 and the period ended March 31, 2017:

	Six months ended September 30, 2017		Period ended March 31, 2017	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Outstanding, beginning of period	-	-	-	-
Expired	-	-	-	-
Granted	700,000	0.10	-	-
Outstanding, end of period	700,000	0.10	-	-
Exercisable, end of period	700,000	0.10	-	-

On May 1, 2017 the Company granted stock options to purchase an aggregate of 700,000 common shares to directors and officers of the Company at an exercise price of $0.10 for a term of 5 years.

The weighted average fair value of the options granted during the six-month period ended September 30, 2017 was estimated at $0.01 (March 31, 2017 - $nil) per option at the grant date using the Black-Scholes Option Pricing Model using the following assumptions: no expected dividends to be paid; volatility of 100% based on industry standard for comparable companies without a historical volatility; risk-free interest rate of 1.4%; and expected life of 5 years.

(Expressed in Canadian Dollars)

6. Share Capital (Continued)

Share Purchase Warrants

	Period ended September 30, 2017		Year ended March 31, 2017	
	Number of share purchase warrants	**Weighted average exercise price $**	**Number of share purchase warrants**	**Weighted average exercise price $**
Outstanding, beginning of period	-	-	-	-
Exercised	-	-	-	-
Issued	392,710	0.10	-	-
Outstanding, end of period	392,710	0.10	-	-

7. Related Party Transactions

Key management personnel compensation

The remuneration of directors and other members of key management are as follows:

	For the six months ended September 30 2017 $ (Unaudited)	**For the period ended March 31 2017 $ (Audited)**
Accounting	-	2,500
Share-based compensation	7,000	-
	7,000	2,500

(Expressed in Canadian Dollars)

7. Related Party Transactions (Continued)

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities of the Company include the following amounts due to related parties:

	As at September 30 2017 $ (Unaudited)	As at March 31 2017 $ (Audited)
An officer of the Company	1,150	(2,500)
An officer and director of the Company	(1,900)	(1,900)
Total amount due (to) from related parties	(750)	(4,400)

8. Capital Risk Management

The Company manages its capital structure and makes adjustments to it to effectively support the acquisition, exploration and development of mineral properties. In the definition of capital, the Company includes, as disclosed on its statement of financial position: share capital, deficit, and reserves.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended September 30, 2017. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash. The Company manages its credit risk relating to cash by dealing only with high-rated financial institutions as determined by rating agencies.

Liquidity risk

The Company manages liquidity risk by maintaining an adequate level of cash to meet its ongoing obligations. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at June 30, 2017, the Company had working capital of $92,975.

Other risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant currency risk, interest rate risk and commodity price risk arising from financial instruments.

9. Subsequent Events

Subsequent to September 30, 2017:

a) On October 3, 2017, the Company entered into an amended and restated property option agreement (the "Amended Option Agreement") respecting the Company's Millen Mountain Property in Nova Scotia (the "Property") with Probe Metals Inc. ("Probe"). Under the Amended Option Agreement, the parties agreed that upon successfully earning a 50% interest in the Property, Probe will have the right to earn an additional 25% interest in the Property (for an aggregate 75% interest) by incurring an additional $250,000 in exploration expenditures (for an aggregate of $500,000 in exploration expenditures) by October 2019. To date, Probe has spent approximately $100,000 in exploration expenditures on the Property. The Amended Option Agreement also increases, from 1% to 2%, the net smelter royalty payable to a party that has its interest in the Property diluted to 10% or less pursuant to the joint venture to be formed once Probe earns its interest in the Property.