CREST RESOURCES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED FEBRUARY 28, 2019

AND THE PERIOD FROM NOVEMBER 23, 2017 (DATE OF INCORPORATION) TO FEBRUARY 28, 2018

(UNAUDITED)

Notice of No Auditor Review of Interim Financial Statements

The accompanying unaudited financial statements have been prepared by management and approved by the Audit Committee.

The Company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

CREST RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	February 28, 2019 (Unaudited)	May 31, 2018 (Audited)
ASSETS		
CURRENT		
Cash	$ 192,502	$ 68,205
Amounts receivable	9,464	5,542
	201,966	73,747
DEFERRED FINANCING COSTS	-	10,000
EXPLORATION AND EVALUATION ASSET (Note 5)	111,269	101,269
	$ 313,235	$ 185,016
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 8,709	$ 3,040
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 6)	406,943	217,001
CONTRIBUTED SURPLUS	95,290	30,000
DEFICIT	(197,707)	(65,025)
	304,526	181,976
	$ 313,235	$ 185,016

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS (Note 10)
SUBSEQUENT EVENT (Note 13)

Approved and authorized for issue on behalf of the Board on April 29, 2019

"Owen King" Director *"Paul John"* Director

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

CREST RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars) (Unaudited)

	Three months ended February 28, 2019	Three months ended February 28, 2018	Nine months ended February 28, 2019	Period from November 23, 2017 (Incorporation) to February 28, 2018
EXPENSES				
Advertising and promotion	$ -	$ 1,039	$ 5,469	$ 1,039
Bank charges	37	267	144	267
Consulting fees	-	9,000	27,000	9,000
Office	(673)	766	4,093	766
Professional fees	17,845	1,704	39,048	1,704
Rent	-	2,000	8,333	2,000
Share-based payments	-	-	34,486	-
Transfer agent and filing fees	4,303	-	14,109	-
NET LOSS AND COMPREHENSIVE LOSS	$ (21,512)	$ (14,776)	$ (132,682)	$ (14,776)
LOSS PER SHARE (basic and diluted)	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	12,809,001	4,941,535	11,611,263	4,941,535

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

CREST RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars) (Unaudited)

	Common Shares				
	Number of Shares	Amount	Contributed Surplus	Deficit	Total
		$	$	$	$
Incorporation, November 23, 2017	1	1	-	-	1
Shares issued for founder	2,000,000	10,000	-	-	10,000
Shares issued for cash	2,500,000	122,000	-	-	122,000
Shares issued for cash (flow-through)	4,250,000	85,000	-	-	85,000
Share-based payments	-	-	30,000	-	30,000
Net loss for the period	-	-	-	(65,025)	(65,025)
Balance, May 31, 2018	8,750,001	217,001	30,000	(65,025)	181,976
Net loss for the period				(132,682)	(132,682)
Shares issued for cash	3,859,000	395,900	-	-	395,900
Shares issued for Red Metal Ridge Property	100,000	10,000	-	-	10,000
Share-based payments	-	-	34,486	-	34,486
Share issuance costs	100,000	(215,958)	30,804	-	(185,154)
Balance, February 28, 2019	12,809,001	406,943	95,290	(197,707)	304,526

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

CREST RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars) (Unaudited)

	Three months ended February 28, 2019	Three months ended February 28, 2018	Nine months ended February, 2019	Period from November 23, 2017 (Incorporation) to February 28, 2018
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	$ (25,512)	$ (14,776)	$ (132,682)	$ (14,776)
Item not involving cash:				
Share-based payments	-	-	34,486	-
Changes in non-cash working capital balances:				
(Increase) decrease in amounts receivable	320	(694)	(3,922)	(694)
Increase in accounts payable	6,819	-	5,669	-
Cash used in operating activities	(14,373)	(15,470)	(96,449)	(15,470)
INVESTING ACTIVITY				
Exploration and evaluation asset expenditures	-	(5,000)	-	(5,000)
FINANCING ACTIVITIES				
Issuance of common shares	-	87,000	220,746	87,000
Deferred financing costs	-	-	-	-
Cash provided by financing activities	-	87,000	220,746	87,000
INCREASE (DECREASE) IN CASH	(14,373)	66,530	124,297	66,530
CASH, BEGINNING OF PERIOD	206,875	-	68,205	-
CASH, END OF PERIOD	$ 192,502	$ 66,530	$ 192,502	$ 66,530
SUPPLEMENTAL CASH DISCLOSURES				
Interest paid	$ -	$ -	$ -	$ -
Income taxes paid	$ -	$ -	$ -	$ -

SUPPLEMENTAL CASH FLOW INFORMATION (Note 11)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Crest Resources Inc. (the "Company") was incorporated on November 23, 2017 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is Suite 1100 – 595 Howe Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets in Canada. As at February 28, 2019, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had working capital of $193,257 as at February 28, 2019, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on April 26, 2019.

b) Basis of presentation

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

c) Cash equivalents

Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of February 28, 2019, the Company held no cash equivalents.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

e) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

f) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Flow-through shares (continued)

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

g) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

h) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

i) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the period end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each period end date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

k) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss (“FVTPL”).

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company’s cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. At February 28, 2019, the Company has not classified any financial assets as loans and receivables.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in earnings. At February 28, 2019, the Company has not classified any financial assets as available for sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

l) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company’s accounts payable and accrued liabilities are classified as other financial liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Financial liabilities (continued)

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives, are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings. At February 28, 2019, the Company has not classified any financial liabilities as FVTPL.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

m) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable;

ii. the measurement of deferred income tax assets and liabilities; and

iii. the inputs used in accounting for share-based payments.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities; and

ii. the evaluation of the Company’s ability to continue as a going concern.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following new standards, and amendments to standards and interpretations, are effective for the year ended May 31, 2019, and have been applied in preparing these financial statements:

IFRS 15 *Revenue from Contracts with Customers* – In May 2014, the IASB issued IFRS 15 which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

IFRS 9 *Financial Instruments* – In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013, new general hedge requirements were added to the standard. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics.

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended May 31, 2019, and have not been applied in preparing the financial statements.

The following new standards, amendments and interpretations have not been early adopted in these financial statements and are not expected to have a material effect on the Company's future results and financial position:

Accounting standards effective for annual periods beginning on or after January 1, 2019

IFRS 16 *Leases* – IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

IFRIC 23 *Uncertainty over Income Tax Treatments* – IFRIC 23 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. Earlier application is permitted. The Interpretation requires: (a) an entity to contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution; (b) an entity to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and (c) if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty.

(Expressed in Canadian dollars) (Unaudited)

5. EXPLORATION AND EVALUATION ASSETS

	Acquisition Costs	**Exploration Costs**	**Total**
	$	$	$
Opening balance	-	-	-
Acquisition and exploration costs	5,000	96,269	101,269
Balance, May 31, 2018			
Acquisition and exploration costs	10,000	-	10,000
Balance, February 28, 2019	15,000	96,269	111,269

Red Metal Ridge Property

Pursuant to an option agreement (the “Agreement”) dated January 5, 2018, the Company was granted an option to acquire a 100% undivided interest in two stages in the Red Metal Ridge Property (the “Property”) located near Sayward in British Columbia.

In accordance with the Agreement, the Company has the option to acquire first 51% undivided interest (earned) in the Property by paying $5,000 (paid) in cash upon execution of the Agreement. The Company has the option to earn the remaining 49% interest in the Property by issuing a total of 600,000 common shares of the Company to the Optionors, making cash payments totaling $155,000, and incurring a total of $500,000 in exploration expenditures as follows:

	Number of Common Shares	**Cash**	**Exploration Expenditures**
		$	$
Upon listing of the Company’s common shares on a Canadian Stock Exchange (the “Listing”)	100,000	5,000	-
On or before the first anniversary of the Listing	100,000	20,000	100,000
On or before the second anniversary of the Listing	100,000	30,000	100,000
On or before the third anniversary of the Listing	300,000	100,000	300,000
Total	600,000	155,000	500,000

The Optionors will retain a 3% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $1,000,000 at any time prior to the commencement of commercial production

6. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow Shares:

On July 30, 2018, the Company entered into an escrow agreement, whereby 2,500,000 common shares will be held in escrow and are scheduled for release in accordance with the terms of the escrow agreement. Pursuant to the escrow agreement, the shares will be released as follows: 10% on the Listing Date (October 22, 2018), and 15% will be released on 6, 12, 18, 24, 30 and 36 months thereafter.

c) Issued and Outstanding as at February 28, 2019: 12,809,001 common shares.

For the nine months period ended February 28, 2019, the Company had the following share capital transactions:

(i) The Company completed an initial public offering ("IPO") of 3,859,000 shares at $0.10 for gross proceeds of $385,900. Share issuance costs of $175,244 in cash were incurred with respect to this IPO along with the issuance of 385,900 Agent's Warrants exercisable at $0.10 per common share for a period of 24 months from closing. The total fair value of these Agent's Warrants of $30,804 was estimated using the Black-Scholes Option Pricing Model assuming an expected life of 2 years, expected dividend yield of 0%, a risk-free interest rate of 2.30% and an expected volatility of 1.25%. A further 100,000 common shares with a value of $10,000 were issued for corporate finance services provided.

(ii) The Company issued 100,000 common shares with a value of $10,000 towards consideration for the acquisition of exploration and evaluation assets (Note 5).

For the period from incorporation to May 31, 2018 the Company had the following share capital Transactions:

(i) The Company issued an incorporation share for $1.

(ii) The Company issued 2,000,000 common shares at a price of $0.005 per share for gross proceeds of $10,000. The fair value of the 2,000,000 common shares was estimated to be $40,000. Accordingly, the Company recorded share-based payments of $30,000 and a corresponding increase to contributed surplus.

(iii) The Company issued 6,750,000 common shares at a price between $0.02 and $0.05 per share for gross proceeds of $207,000. 4,250,000 of those common shares were issued on a flow-through basis.

For the purposes of the calculating the tax effect of any premium related to the issuance of the flow-through shares, the Company reviewed recent financings and compared it to determine if there was a premium paid on the shares. As a result of the review the Company did not recognize any premium on the flow-through shares issued.

d) Stock Options

During the period ended February 28, 2019, the Company adopted a Stock Option Plan ('Plan') for directors, officers and employees, consultants of the Company. The Company may grant options to individuals, options are exercisable over periods of up to ten years, as determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

(Expressed in Canadian dollars) (Unaudited)

6. SHARE CAPITAL (continued)

A summary of the Company's stock options at February 28, 2019 and May 31, 2018 and the changes for the periods then ended is presented below:

	February 28, 2019		**May 31, 2018**	
	Options Outstanding	Weighted Average Exercise Price	Options Outstanding	Weighted Average Exercise Price
Opening balance	-	-	-	-
Granted	425,000	$0.10	-	-
Ending balance	425,000	$0.10	-	-

On July 13, 2018, the Company granted 425,000 stock options to certain directors and officers of the Company at an exercise price of $0.10 for a period of five years from the date of grant.

Details of stock options outstanding and exercisable as at February 28, 2019 and May 31, 2018 are as follows:

Expiry Date	**Exercise Price**	**February 28, 2019**	**May 31, 2018**
July 13, 2023	$0.10	425,000	-
		425,000	-

The remaining average remaining contractual life of stock options outstanding at February 28, 2019 was 4.37 years (May 31, 2018: nil years).

The weighted average fair value at grant date of options granted during the period ended February 28, 2019 was $0.081 per option (May 31, 2018: $nil). The fair value of the stock options was estimated at $34,486 using the Black-Scholes Pricing Model with the following assumptions:

Share price	$0.10
Risk free interest rate	2.05%
Expected life	5 years
Expected volatility	125%
Expected forfeiture rate	Nil
Expected dividends	Nil

e) Warrants

During the period ended February 28, 2019, the Company completed an IPO and issued 385,900 Agents' warrants exercisable at $0.10 per common share until October 22, 2020. There are no other warrants outstanding.

7. RELATED PARTY BALANCES AND 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. 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) (Unaudited)

7. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company. Key management personnel compensation is comprised of the following:

	Nine months ended February 28, 2019	Period from November 23, 2017 (Incorporation) to February 28, 2018
	$	$
Share-based payments	34,486	-
Total	34,486	-

On July 13, 2018, the Company granted 425,000 stock options to certain directors and officers of the Company at an exercise price of $0.10 for a period of five years from the date of grant. These options had a fair value of $34,486.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes 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 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - 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 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's condensed interim statements of financial position as at February 28, 2019 are as follows:

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	192,502	–	–	192,502

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at February 28, 2019 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short - term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

(Expressed in Canadian dollars) (Unaudited)

10. COMMITMENTS

The Company is committed to common share issuances as described in Note 5.

11. SUPPLEMENTAL CASH FLOW INFORMATION

During the nine months ended February 28, 2019, the Company incurred the following non-cash transactions that are not reflected in the statements of cash flows:

	Nine months ended February 28, 2019	Period from November 23, 2017 (Incorporation) to February 28, 2018
Fair value of shares issued for mineral property option payments	$ 10,000	-
Fair value of finder's warrants	$ 30,804	-

12. COMPARATIVE FIGURES

Comparative figures for the nine months ended February 28, 2019 are not available as the Company was incorporated on November 23, 2017. The Company has used the figures for the period November 23, 2017 (date of incorporation) to February 28, 2018, for comparative purposes.

13. SUBSEQUENT EVENTS

In April 2019, the Company granted 100,000 stock options with an exercise price of $0.12 per share expiring April 5, 2023 to an officer of the Company. The options will vest over a period of four years as to 25% per year.