Shine Mineral Corp.

(formerly Ironside Resources Inc.)

Condensed Interim Consolidated Financial Statements

For the Nine Months Ended

March 31, 2019 and 2018

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Shine Minerals Corp.
(formerly Ironside Resources Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	As at March 31, 2019	As at June 30, 2018
		$	$
Assets			
Current			
Cash	**11**	**530,876**	104,435
Amounts receivable		**18,254**	10,456
Prepaid expense		**10,013**	6,450
		559,143	121,341
Exploration and Evaluation	**5**	**362,732**	-
Total Assets		**921,875**	121,341
Liabilities and Shareholders' Deficiency			
Current Liabilities:			
Accounts payable and accrued liabilities	**6, 8**	**368,348**	553,961
Note payable to related party	**8**	**40,000**	115,000
Total Liabilities		**408,348**	668,961
Shareholders' deficiency:			
Share capital	**7**	**17,006,658**	15,671,699
Obligation to issue shares	**7**	**80,500**	80,500
Other capital reserves	**7**	**6,034,194**	5,800,194
Accumulated deficit		**(22,607,825)**	(22,100,013)
Total Shareholders' deficiency		**513,527**	(547,620)
Total Liabilities and Shareholders' Deficiency		**921,875**	121,341

Nature and Continuance of operations (Note 1)

Subsequent event (Note 13)

Approved and authorized on April 24, 2019 on behalf of the Board:

/s/ Devinder Randhawa	*/s/ Ross McElroy*
Director	Director

The accompanying notes are integral to these interim consolidated financial statements.

Shine Minerals Corp.

(formerly Ironside Resources Inc.)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Note	**For the Three Months Ended March 31, 2019**	For the Three Months Ended March 31, 2018	**For the Nine Months Ended March 31, 2019**	For the Nine Months Ended March 31, 2018
		$	$	**$**	$
General and administrative expenses					
Consulting and management Fees	**8**	**27,410**	86,500	**142,540**	134,500
Office and administration		**5,208**	6,430	**23,960**	9,287
Professional fees		**2,867**	28,640	**34,735**	31,659
Public relations and communications		**13,339**	-	**40,330**	-
Regulatory fees		**5,205**	3,483	**25,444**	4,483
Rent		**-**	-	**-**	-
Transfer agent		**1,670**	6,622	**6,803**	8,663
Stock-based compensation	**8**	**-**	-	**234,000**	-
Loss and comprehensive loss for the period		**(55,699)**	(131,675)	**(507,812)**	(188,507)
Basic and diluted loss per common share		**(0.01)**	(0.01)	**(0.02)**	(0.02)
Weighted average number of common shares outstanding		**37,938,677**	10,425,677	**30,462,552**	10,425,677

The accompanying notes are integral to these interim consolidated financial statements.

Ironside Resource Inc.
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars except the number of shares)

	Note	Common shares					Total
		Outstanding Shares	Share Capital	Obligation to Issue Common Shares	Other Capital Reserves	Deficit	Shareholders' Total
			$	$	$	$	$
Balance, June 30, 2017		**10,426,547**	**15,671,699**	**8,000**	**-**	**5,800,194**	**(21,794,397)**
Loss and comprehensive loss for the year		-	-	-	-	-	(188,507)
Balance, March 31, 2018		**10,426,547**	**15,671,699**	**8,000**	**-**	**5,800,194**	**(21,982,904)**
Balance, June 30, 2018		**10,426,547**	**15,671,699**	**80,500**	**5,800,194**	**(22,100,013)**	**(547,620)**
Private placement		17,275,000	1,382,000		-	-	1,382,000
Finder fees		238,000	(23,800)				(23,800)
Subscription receivable		-	(123,241)				(123,241)
Share cancellation		(870)	-				
Shares issued for property		10,000,000	100,000	-	-	-	100,000
Stock-based compensation		-	-	-	234,000	-	234,000
Loss and comprehensive loss for the period		-	-	-	-	(507,812)	(507,812)
Balance, March 31, 2019		**37,938,677**	**17,006,658**	**80,500**	**6,034,194**	**(22,607,825)**	**513,527**

The accompanying notes are integral to these interim consolidated financial statements.

Ironside Resource Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	For the Nine Months Ended March 31, 2019	For the Nine Months Ended March 31, 2018
	$	$
Cash used in operating activities		
Loss and comprehensive loss for the period	**(507,812)**	(188,507)
Stock-based compensation	**234,000**	-
Changes in non-cash working capital items		
Increase in receivables	**(7,798)**	(3,064)
Increase in prepaid expenses	**(3,563)**	(6,450)
Increase in accounts payable and accrued liabilities	**(279,613)**	126,204
Cash used in operating activities	**(564,786)**	(71,817)
Cash used in investing activities		
Mineral property acquisition	**(50,000)**	-
Mineral property expenditure	**(118,732)**	-
Cash used in investing activities	**(168,732)**	-
Cash from (used) in financing activities		
Repayment of related party note payable	**(75,000)**	50,000
Private placement proceeds, net	**1,234,959**	-
Cash provided by financing activities	**1,159,959**	50,000
Change in cash	**426,441**	(21,817)
Cash, beginning of the period	**104,435**	24,194
Cash, end of the period	**530,876**	2,377

The accompanying notes are integral to these interim consolidated financial statements.

1. Nature and Continuance of Operations

Shine Minerals Corp. (formerly Ironside Resource Inc.) (the "Company") is a company incorporated under the Business Corporation Act of British Columbia, Canada. The registered office of the Company is 700-595 Howe Street, Vancouver, British Columbia, V6C 2T5. The Principal address and records office of the Company is 700-1620 Dickson Ave., Kelowna, British Columbia, V1Y 9Y2. The Company's shares are publicly listed on the TSX Venture ("TSX-V") under the symbol "SMR".

The Company is engaged in the acquisition and exploration of exploration and evaluation assets and to date has not generated significant revenues from operations. The Company has yet to determine whether its exploration and evaluation assets contain economically viable ore reserves and there is no guarantee that mineral deposits will be discovered in the future. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon proving the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production and/or proceeds from the disposition thereof.

The Company has inconsiderable sources of revenue and has significant cash requirements to maintain its mineral property interests and to meet its administrative overhead. These consolidated financial statements have been prepared on a going concern basis and do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to secure equity, debt or joint venture financing and generate profitable future operations. These material uncertainties may cast significant doubt on the ability of the Company to continue as a going concern.

2. Basis of Presentation

Statement of compliance with International Financial Reporting Standards

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB. The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of April 24, 2019, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended June 30, 2018, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending June 30, 2019 could result in restatement of these unaudited condensed consolidated interim financial statements.

These consolidated financial statements have been prepared in Canadian dollars ("CAD") being the Company's presentation and functional currency and are based on a historical cost basis. Unless otherwise noted all figures are in Canadian dollars.

3. Significant Accounting Policies

(a) Principles of Consolidation

The Company's consolidated financial statements include the accounts of all subsidiaries subject to control by the Company. Control is achieved when the Company has the power to, directly or indirectly, govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. Intercompany balances, transactions and unrealized intercompany gains and losses are eliminated upon consolidation.

(b) Significant Accounting Judgments, Estimates and Assumptions

The preparation of consolidated financial statements in accordance with IFRS requires estimates, judgments, and assumptions that are based on management's experience and knowledge of the relevant facts and circumstance and are continuously evaluated. These can affect the reported amounts, the valuation of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements as well as the reported amounts of revenues and expenses during the year. Due to market changes and other factors beyond the control of the Company, results may differ from the estimates, judgments and assumptions used at the reporting date.

Significant assumptions about the future and other sources of estimation uncertainty that could result in material adjustments to the carrying value of assets and liabilities relate to, but are not limited to, the following:

- non-current asset impairment tests;
- the valuation of share-based payments and warrants in private placements;

(c) Financial Assets

Financial assets are initially recorded at fair value and designated upon initial recognition into one of the following categories based on the purpose for which the asset was acquired: *Financial Assets at fair value through profit or loss ("FVTPL"), Held-to-Maturity ("HTM"), Loans & Receivables, Available-for-sale ("AFS").*

A financial asset is classified as FVTPL if it is held for trading or designated as FVTPL upon initial recognition. If the Company manages such investments and makes purchases and sales decisions based on their fair value in accordance to the Company's risk management policy, these assets are designated FVTPL and are measured at fair value with changes recognized in profit or loss. Attributable transaction costs are recognized in profit or loss when incurred while all other financial assets include these costs in the assets' initial carrying cost.

The Company has classified its cash as FVTPL. Financial assets designated as loans and receivables and assets held to maturity are measured at amortized cost. Amounts receivable are classified as loans and receivables. Financial assets designated as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss except for losses in value considered other than temporary which are recognized in profit or loss. The Company has not classified any financial assets as AFS.

(d) Foreign Currency Translation

Functional currency is the currency of the primary economic environment in which an entity operates and it has been determined that for the Company and its subsidiaries, the Canadian dollar is the functional currency. These determinations were conducted through an analysis of the consideration factors identified in IAS 21 - *The Effects of Changes in Foreign Exchange Rates*.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses are recognized in profit or loss upon settlement of such transactions. Translation of monetary assets and liabilities denominated in foreign currencies at exchange rates prevailing at the reporting date are also recognized in the profit or loss.

(e) Equipment

Equipment is stated at historical cost less accumulated depreciation. Depreciation is calculated on a straight line basis at the following annual rates:

- Computer equipment 30%

When an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

Equipment is reviewed for indications of impairment at the end of each reporting period. If there are indications of impairment, the asset's recoverable amount is estimated. The recoverable amount is the higher of fair value less disposal costs and value in use. A loss arising on any impairment losses of the asset, determined as the difference between the recoverable amount and the carrying amount of the asset, is recognized in the profit or loss.

(f) Exploration and Evaluation Assets

All direct costs attributable to the acquisition, exploration and evaluation of exploration and evaluation assets are capitalized as intangible assets on the basis of specific exploration licences until the mineral property interests to which they relate are placed into production, disposed of through relinquishment or sale or where management has determined there is impairment. Upon commencement of commercial production these costs are reclassified as mining assets and are amortized over the estimated productive lives of the properties using the units-of-production method.

Exploration and evaluation assets are reviewed on an ongoing basis to consider any indicators of impairment. If any indication of impairment exists, an estimate of the exploration and evaluation assets' recoverable amount is determined. The recoverable amount is calculated as the higher of fair value less selling costs and its value in use. This value is determined for individual exploration and evaluation assets unless it does not generate cash inflows that are largely independent of other exploration and evaluation assets. If this is the case, the assets are grouped together into Cash Generating Units ("CGUs") for impairment purposes.

The Company considers the following factors to review its exploration and evaluation assets for indicators of impairment:

(i) Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.

(ii) Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.

(iii) Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

(iv) The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the mineral property's recoverable amount since the last impairment loss was recognized. In such a case, the carrying amount of the mineral property is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the mineral property interest in prior years. Such reversals are recognized in profit or loss. If a mineral property is relinquished, the exploration and evaluation costs related to the mineral property will be written off to profit or loss in the year of relinquishment.

(g) Financial Liabilities

All financial liabilities are initially recorded at fair value and designated as FVTPL or classified as other financial liabilities when recognized. Financial liabilities classified as other financial liabilities are initially recognized at fair value and thereafter are subsequently measured at amortized cost using the effective interest rate method. This method calculates the amortized cost of a financial liability and its related interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments over the expected duration of the financial liability or, where appropriate, a shorter period. The Company's accounts payable and accrued liabilities and note payable to related party are classified as other financial liabilities.

Derivatives, including separately embedded derivatives are also classified as FVTPL and recognized at fair value with changes in fair value recognized in profit or loss unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in profit or loss. The Company has no liabilities or derivatives classified as FVTPL.

(h) Share-based Payments

The Company has a stock option plan whereby it is authorized to grant stock options to employees, officers, directors and consultants. Employees, officers, directors and consultants are classified as employees when they render personal services to the entity and are either regarded as employees for legal or tax purposes, or employed with an entity under its direction in the same way as employees, officers, directors and consultants who are regarded as employees for legal or tax purposes are, or the services rendered are similar to those rendered by employees.

The fair value of stock options issued to employees is measured on the grant date, using the Black-Scholes option pricing model with assumptions for volatility of the expected market price of the Company's common shares, risk-free interest rates and expected life of the options. The fair value less estimated forfeitures is charged to profit or loss and/or capitalized to the exploration and evaluation assets over the vesting period of the related options with a corresponding credit to equity in other capital reserves. The estimated forfeitures are based on historical experience and reviewed on quarterly basis to determine the appropriate forfeiture rate based on past, present and expected forfeitures. Management uses the dynamic model to calculate the estimated forfeitures. Stock options granted with graded vesting schedules are accounted for as separate grants with different vesting periods and fair values.

Share-based awards issued to non-employees are generally measured on the fair value of goods or services received unless that fair value cannot be reliably measured. The fair value is measured at the date the entity obtains the goods or services or when the counterparty renders service. If the fair value cannot be reliably measured, the fair value of the share-based payments to non-employees are periodically re-measured using the Black-Scholes option pricing model until the counterparty performance is complete and any change therein is recognized over the vesting period of the award. The cost of share-based payments to non-employees that are fully vested and non-forfeitable at the date of the grant are measured and recognized at that date.

When stock options are exercised, the proceeds are credited to share capital and the fair value of the options exercised is reclassified from other capital reserves to share capital.

(i) Income Taxes

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

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they are realized or settled, based on the laws that have been enacted or substantively enacted as at the statement of financial position date. It 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 either accounting or 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 tax profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(j) Loss per Share

The Company presents basic and diluted loss per share for its common shares, calculated by dividing loss attributable to common shareholders by the weighted average number of common shares outstanding during the period. Diluted loss per share is similarly calculated except it is assumed that outstanding stock options and warrants, with the average market price that exceeds the average exercise prices of the options and warrants for the year, are exercised and the assumed proceeds are used to repurchase shares of the Company at the average market price of the common shares for the year. Diluted loss per share does not adjust the loss attributable to common shareholders when the effect is anti-dilutive.

(k) Related Party Transactions

Parties are considered to be related if one party has the direct or indirect ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties can be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of services, obligations or resources between related parties including key management personnel.

IFRS Standard, Amendments and Interpretations

The IASB issued a number of new and revised International Accounting Standards, IFRS amendments and related interpretations. No new or revised standards or amendments are expected to have any significant impact to the Company's financial statements.

New Standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets.

The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

New Standard IFRS 16 "Leases"

IFRS 16, Leases, new standard contains a single lessee accounting model, eliminating the distinction between operating and financing leases from the perspective of the lessee. The accounting requirements from the perspective of the lessor remains largely in line with previous IAS 17 requirements, effective for annual reporting periods beginning on or after January 1, 2019.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Key Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimated uncertainty at the reporting date that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company bases its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Exploration and Evaluation Expenditures

The Company's accounting policy for Exploration and Evaluation expenditure results in certain expenditures being capitalized for prospective areas where it is considered likely to be recovered by future exploitation or sale and where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If after having capitalized the expenditure under this policy a judgment is made that the recovery of the expenditure is unlikely, the relevant capitalized amount will be written off to profit or loss in the period when the new information becomes available.

(b) Share-based Compensation

The Company measures the cost of equity-settled transactions with employees and non-employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based compensation transactions requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires the expected life of the share option, volatility and dividend yield and making assumptions about them.

5. Exploration and Evaluation Assets

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims. The Company has investigated title to its exploration and evaluation assets and to the best of its knowledge the title to its properties are in good standing.

	Watts Lake
	$
Balance at June 30, 2017	**-**
Acquisition costs	-
Geological	-
Balance at June 30, 2018	**-**
Acquisition costs	150,000
Geological	212,732
Balance at March 31, 2019	**362,732**

Watts Lake:

On October 26, 2017, the Company entered into a letter agreement ("LOI") with Edge Geological Consulting Inc. ("Edge") to acquire a 100% interest in the Watts Lake property located north-east of the town of La Ronge, Saskatchewan. Under the terms of the LOI, the Company issued 10,000,000 common shares (September 17, 2018) made a cash payment of $50,000 upon completion of a formal agreement. The parties entered into a formal option agreement on January 11, 2018. The owner of Edge is a Board member of the Company.

The property is subject to a royalty in favour of Edge equal to 2% Net Smelter Royalty, one half of which may be purchased for cash payment of $1,000,000. To exercise the option, the Company must meet cash, and exploration expenditures as follows:

Date for Completion	Cash Payment Expenditure	Cumulative Exploration Expenditure
By July 1, 2019	$50,000	$500,000
By July 1, 2020	$Nil	$1,200,000

6. Accounts Payable and Accrued Liabilities

Accounts payable are indebtedness incurred in the normal course of operations and are typically payable within 30 days. The accrued liabilities are non-interest bearing and are primarily payable to related parties. See Note 9.

Due within one year	March 31, 2019	June 30, 2018
	$	$
Accounts payables	40,998	97,995
Accrued liabilities	327,350	455,966
	368,348	553,961

7. Share Capital and Reserves

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

During the period ended March 31, 2019

On September 7, 2018, the Company closed a private placement of 12,500,000 units at a price of $0.08 per unit for gross proceeds of $1,000,000. Each unit comprises one common share and one share purchase warrant expiry two years from date of issuance and are exercisable at $0.11 per share. As at March 31, 2019, these warrants had a weighted average life of 0.44 years.

On September 17, 2018, the Company closed a private placement of 4,775,000 flow-through shares at a price of $0.08 per share for gross proceeds of $382,000. In addition, the Company issued 238,000 finders shares.

$123,241 of subscription receivables was received during the current period.

On September 28, 2018, 870 shares were cancelled relating to shares of the predecessor issuer held by certain shareholders which expired after six years and were not exchanged for shares of the Company.

During the year ended June 30, 2018

There was no activity during the year.

Stock Options
The Company has a share-holder approved stock option plan which allows the Board of Directors to grant stock options to directors, officers, employees, contractors and consultants. The exercise price of each option is based on the market price of the Company's common stock at the date of grant less any applicable discount. The options can be granted for a maximum term of five years and vesting terms are determined by the Board of Directors at the date of grant.

During the period ended March 31, 2019

On November 6, 2018, the Company granted incentive stock options to directors, officers, employees and consultants entitling them to purchase up to 3,500,000 shares in the capital of the Company subject to the policies of the TSX Venture Exchange. The options are exercisable until November 6, 2021 at a price of 0.10 per share. The $234,000 fair value of the stock option was determined using the Black-Scholes option pricing model using the following assumptions: share price on grant date of $0.10, expected life of stock option of 3 years, volatility of 111.14%, annual rate of dividends of 0.00% and a risk free rate of 0.66%. As at March 31, 2019, these options had a weighted average life of 2.64 years.

8. Related Party Transactions

The Company has identified its directors and certain senior officers as its key management personnel.

During the period ended March 31, 2019, the Company incurred $105,000 (2018 - $135,000) of fees from a company controlled by the Chief Executive Officer for services performed. As at March 31, 2019, the Company owed $136,778 (2018 - $400,465) in accrued fees to the Chief Executive Officer. On June 30, 2016, the Company entered into a debt settlement agreement with the CEO and directors of the Company. In order to complete the settlement, the Company has an obligation to issue 118,518 common shares at a future date valued at $80,500.

As at March 31, 2019, the Company owed $1,567 (2018 - $2,265l) to Fission Uranium Corp. for expenses incurred on behalf of the Company. Fission Uranium Corp. and the Company are related by way of same Chief Executive Officer.

As at March 31, 2019, the note payable to a related party of $40,000 (2018 - $115,000) due to a private company owned by the CEO and director of the Company is due on demand with no fixed term of repayment or stated interest.

During the period ended March 31, 2019, the Company incurred $94,000 (2018 - $28,000 consulting fees) of geological fees from Edge which is controlled by a director; these fees have been included as Watts Lake geological expenditures. As at March 31, 2019, the Company owed $154,100 (2018 - $55,500) to this director.

During the period ended March 31, 2019, the Company incurred $15,000 (2018 - $4,500 consulting fees) of fees from a private company controlled by the Chief Financial Officer. As at March 31, 2019, the Company owed $Nil (2018 - $Nil).

Refer to Note 5 for further related party disclosures.

9. Financial Instruments and Capital Management

The Company's objectives when managing capital, being its share capital, are to safeguard the Company's ability to continue as a going concern in order to pursue the acquisition and exploration of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company is dependent on external financing to fund its activities. The capital structure of the Company currently consists of common shares, stock options and share purchase warrants. Changes in the equity accounts of the Company are disclosed in the statements of changes in equity (deficiency). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. Any issuance of common shares requires approval of the Board of Directors.

In order to facilitate management with its capital requirements, the Company prepares annual expenditure budgets which are approved by the Board of Directors and updated as necessary depending on various factors including capital deployment and general market and industry conditions.

The Company anticipates continuing to access equity markets to fund the acquisition and exploration of exploration and evaluation assets and to ensure the future growth of the business.

The Company is not subject to any externally imposed capital restrictions.

Financial Instruments and Risk Management

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of the inputs used in making measurements. The fair value hierarchy has the following levels:

Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities

Level 2: inputs other than quoted direct 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)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities and note payable to a related party. Carrying value of these items are considered to be a reasonable approximation of fair value due to the short-term nature of these instruments. The Company measures cash using level 1 of the fair value hierarchy.

The Company's financial instruments are exposed to a number of financial and market risks, including credit, liquidity and foreign exchange risks. The Company does not currently have any active hedging or derivative trading policies to manage these risks as it has been determined by management that the current size, scale and pattern of its operations would warrant such hedging activities.

(a) Credit Risk

Credit risk is such that a counterparty to a financial instrument will not discharge its obligations resulting in a financial loss to the Company. The Company has procedures in place to minimize its exposure to credit risk. Company management evaluates credit risk on an ongoing basis including counterparty credit rating and activities related to trade and other receivables and other counterparty concentrations as measured by amount and percentage.

The primary sources of credit risk for the Company arise from cash and amounts receivable. The Company's maximum exposure to credit risk is minimal as cash is deposited with reputable financial institutions. Amounts receivable are due from a government agency.

(b) Liquidity Risk

Liquidity Risk is the risk that the Company will be unable to meet its financial liabilities as they fall due. The Company's financial liabilities are comprised of accounts payable and accrued liabilities and note payable to a related party. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and its current cash flow position to meet current obligations by monitoring and maintaining sufficient cash to meet its anticipated operational needs.

The Company's financial liabilities arise as a result of expenditures directly related to exploration of its exploration and evaluation assets and other corporate expenses. Payment terms on these liabilities are typically 30 to 60 days from receipt of invoice and generally do not bear interest. The following table summarizes the remaining contractual maturities of the Company's financial liabilities:

Maturity dates <6 months	March 31, 2019	June 30, 2018
	$	$
Accounts payable	40,998	97,995
Accrued liabilities	327,350	455,966
Notes payable	40,000	115,000
	408,348	668,961

(c) Market Risk

Market risk is the potential that the fair value for assets will fluctuate due to changes in market conditions on items classified as held-for-trading, available-for-sale or future cash flows from assets or liabilities considered to be held-to-maturity, other financial liabilities and loans or receivables of a financial instrument. The Company evaluates market risk on an ongoing basis and has established policies and procedures for mitigating its exposure to foreign exchange fluctuations. The Company is not exposed to interest rate risk as it does not hold interest bearing debt balances and is not generally charged interest on accounts payable balances.

(d) Foreign Exchange Risk

The Company operates domestically in Canada and is exposed to minimal foreign exchange risk.