CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2017

Expressed in Canadian Dollars

Unaudited

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 Company's interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated 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 interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of financial statements by an entity's auditor.

"Bahman Yamini"	*"Kerry Spong"*
President and Chief Executive Officer	**Vice President, Finance & CFO**

August 22, 2017

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CANASIL RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS

Expressed in Canadian Dollars
Unaudited

ASSETS		June 30, 2017		December 31, 2016
Current				
Cash and cash equivalents	$	1,008,378	$	2,265,376
Marketable securities *(Note 3)*		1,071,000		1,659,000
Receivables		94,648		47,230
Prepaid expenses		43,665		11,381
		2,217,691		3,982,987
Reclamation bonds		40,000		28,000
Property and equipment		46,716		47,187
	$	2,304,407	$	4,058,174

LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	61,678	$	137,597
SHAREHOLDERS' EQUITY				
Share capital *(Note 5)*		21,437,985		21,437,985
Contributed surplus		6,514,588		6,257,759
Accumulated other comprehensive income		688,132		1,199,692
Deficit		(26,397,976)		(24,974,859)
		2,242,729		3,920,577
	$	2,304,407	$	4,058,174

Nature and continuance of operations *(Note 1)*
Commitments *(Note 8)*
Subsequent event *(Note 10)*

ON BEHALF OF THE BOARD:

"*Alvin Jackson*", Director

"*Michael McInnis*", Director

- See Accompanying Notes -

CANASIL RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Expressed in Canadian Dollars

Unaudited

	Number of Shares		Share Capital *(Notes 5,6)*		Convertible Debenture *(Note 4)*		Contributed Surplus *(Note 6)*		Accumulated Other Comprehensive Income (Loss)		Deficit		Total
Balance – December 31, 2015	84,659,872	$	17,588,877	$	4,323,549	$	1,783,712	$	21,000	$	(23,713,223)	$	3,915
Private placement – shares	2,000,000		300,000		-		-		-		-		300,000
Private placement – shares	4,100,000		902,000		-		-		-		-		902,000
Private placement – units	8,000,000		2,560,000		-		-		-		-		2,560,000
Share issuance costs	-		(202,834)		-		-		-		-		(202,834)
Finders' warrants issued	-		(43,943)		-		43,943		-		-		-
Exercise of warrants	3,000,000		300,000		-		-		-		-		300,000
Exercise of stock options	50,000		3,000		-		-		-		-		3,000
Fair value of options exercised	-		1,436		-		(1,436)		-		-		-
Convertible debenture forfeited without repayment	-		-		(4,323,549)		4,323,549		-		-		-
Share-based compensation	-		-		-		64,997		-		-		64,997
Comprehensive loss for the period	-		-		-		-		1,136,062		(385,519)		750,543
Balance – June 30, 2016	101,809,872		21,408,536		-		6,214,765		1,157,062		(24,098,742)		4,681,621
Exercise of stock options	87,500		17,250		-		-		-		-		17,250
Fair value of options exercised	-		12,199		-		(12,199)		-		-		-
Convertible debenture advances	-		-		55,193		-		-		-		55,193
Convertible debenture forfeited without repayment	-		-		(55,193)		55,193		-		-		-
Comprehensive loss for the period	-		-		-		-		42,630		(876,117)		(833,487)
Balance – December 31, 2016	101,897,372		21,437,985		-		6,257,759		1,199,692		(24,974,859)		3,920,577
Share-based compensation	-		-		-		256,829		-		-		256,829
Comprehensive loss for the period	-		-		-		-		(511,560)		(1,423,117)		(1,934,677)
Balance – June 30, 2017	101,897,372	$	21,437,985	$	-	$	6,514,588	$	688,132	$	(26,397,976)	$	2,242,729

- See Accompanying Notes -

CANASIL RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE INCOME (LOSS) FOR THE THREE AND SIX MONTHS ENDED JUNE 30

Expressed in Canadian Dollars

Unaudited

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2017	2016	2017	2016
Expenses				
Accounting and audit	$ 12,018	$ 19,165	$ 20,859	$ 26,854
Depreciation	1,309	1,267	2,400	2,533
Director fees	12,000	-	24,000	-
Exploration and evaluation *(Note 4)*	210,939	124,117	758,769	383,509
Foreign exchange loss	18,338	9,621	11,204	21,235
Interest income	(2,383)	(230)	(6,340)	(905)
Investor relations and promotions	-	4,166	1,877	6,640
Legal fees	491	483	6,696	2,124
Listing and filing fees	4,800	-	11,600	7,261
Management fees	37,500	19,500	75,000	39,000
Office rent, services and supplies	19,837	17,228	38,373	35,344
Salaries, wages and consulting	61,005	38,388	119,949	83,405
Shareholder communications	5,654	11,202	16,811	17,257
Share-based compensation *(Note 6)*	-	-	256,829	64,997
Transfer agent fees	2,456	3,222	4,560	5,300
Travel and accommodation	-	3,092	4,090	7,383
Total operating expenses	(383,964)	(251,221)	(1,346,677)	(701,937)
Gain on sale of marketable securities *(Note 3)*	-	-	-	143,524
Loss for the period before taxes	(383,964)	(251,221)	(1,346,677)	(558,413)
Deferred income tax (expense) recovery *(Note 3)*	(67,795)	138,320	(76,440)	172,894
Loss for the period	(451,759)	(112,901)	(1,423,117)	(385,519)
Other comprehensive income (loss)				
Realized gain on sale of marketable securities *(Note 3)*	-	-	-	(143,524)
Item that may be reclassified subsequently to profit or loss:				
Change in fair value of marketable securities, net of taxes *(Note 3)*	(453,705)	925,680	(511,560)	1,279,586
Comprehensive income (loss) for the period	$ (905,464)	$ 812,779	$ (1,934,677)	$ 750,543
Loss per share - basic and diluted	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
Weighted-average shares Outstanding – basic and diluted	101,897,372	91,145,586	101,897,372	88,878,553

- See Accompanying Notes -

CANASIL RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30

Expressed in Canadian Dollars

Unaudited

CASH RESOURCES PROVIDED BY (USED IN)		2017		2016
Operating activities				
Loss for the period	$	(1,423,117)	$	(385,519)
Items not involving cash				
Depreciation		2,400		2,533
Gain on sale of marketable securities		-		(143,524)
Deferred income tax expense (recovery)		76,440		(172,894)
Share-based compensation		256,829		64,997
Changes in non-cash working capital				
Receivables		(47,418)		49,988
Prepaid expenses		(32,284)		(15,192)
Accounts payable and accrued liabilities		(75,919)		(133,921)
		(1,243,069)		(733,532)
Investing activities				
Proceeds on sale of marketable securities		-		213,480
Purchase of equipment		(1,929)		-
Reclamation bonds		(12,000)		-
		(13,929)		213,480
Financing activities				
Shares issued for cash		-		4,065,000
Share issuance costs		-		(202,834)
Due to related parties, net of repayments		-		(519,000)
		-		3,343,166
Change in cash for the period		(1,256,998)		2,823,114
Cash position - beginning of period		2,265,376		203,294
Cash position - end of period	$	1,008,378	$	3,026,408

Supplemental schedule of non-cash investing and financing transactions				
Finders' warrants issued	$	-	$	43,943
Fair value of stock options exercised	$	-	$	1,436
Convertible debenture transferred to contributed surplus *(Note 4)*	$	-	$	4,323,549
Unrealized (losses) gains on marketable securities	$	(588,000)	$	1,239,000

- See Accompanying Notes -

1. NATURE AND CONTINUANCE OF OPERATIONS

Canasil Resources Inc. (the "Company") is a mineral exploration company incorporated in British Columbia with its head office located at 1760 – 750 West Pender Street, Vancouver, British Columbia. The Company is considered to be in the exploration stage with respect to its interests in mineral properties, which are located in Canada and Mexico. Based on the information available to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The Company's continuing operation is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain the financing necessary to maintain operations and successfully complete its exploration and development, and the attainment of future profitable production.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at June 30, 2017 the Company had working capital of $2,156,013, which it considers adequate to fund its budgeted overhead and currently planned exploration activities for the ensuing twelve months. However, the Company has no source of operating revenue, is unable to self-finance operations, and has significant cash requirements to meet its overhead and maintain its mineral interests. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company has incurred operating losses since inception and as at June 30, 2017 had an accumulated deficit of $26,397,976.

These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. While the Company has been successful in the past at raising funds, there can be no assurance that it will be able to do so in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board as applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. These statements do not include all of the information and disclosures required by IFRS for annual financial statements. In the opinion of management, all adjustments and information considered necessary for fair presentation have been included in these financial statements.

These condensed interim consolidated financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements and should be read in conjunction with the Company's audited consolidated financial statements including the notes thereto for the year ended December 31, 2016. All financial information presented herein is unaudited. The Company's board of directors approved these financial statements for issue on August 22, 2017.

Basis of measurement

These condensed interim consolidated financial statements have been prepared under the historical cost convention, except for those items classified as fair value through profit and loss or available-for-sale financial assets, using the accrual basis of accounting, except for cash flow information.

Expressed in Canadian Dollars

2. SIGNIFICANT ACCOUNTING POLICIES - *continued*

Principles of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its significant wholly-owned subsidiaries, CRD Minerals Corp. ("CRD"), Minera Canasil S.A. de C.V. and Minera CRD S.A. de C.V. ("Minera CRD"). All significant inter-company transactions, balances, and unrealized foreign exchange translation gains or losses have been eliminated.

Foreign currency translation

The presentation currency of the Company and the functional currency of the Company and its subsidiaries is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at rates approximating those in effect at the time of the transactions. Monetary items are translated at the exchange rate in effect at the balance sheet date and non-monetary items are translated at historical exchange rates. Translation gains and losses are reflected in profit or loss for the period.

3. MARKETABLE SECURITIES

Concurrently with entering into an option agreement with Orex Minerals Inc. ("Orex") on the Sandra-Escobar project *(Note 4)*, in September 2015 the Company acquired 1,400,000 common shares of Orex under a private placement at a cost of $350,000. On September 25, 2015, Orex and Barsele Minerals Corp. ("Barsele") completed a plan of arrangement such that each old share of Orex was exchanged for one new share of Orex plus one common share of Barsele. In February 2016, the Company sold 700,000 Orex shares. These shares are designated as available-for-sale securities. Details as at June 30 are as follows:

	Shares 2017	Cost 2017	Fair Value 2017	Fair Value 2016
Orex Minerals Inc.	700,000	$ 69,956	$ 91,000	$ 136,500
Barsele Minerals Corp.	1,400,000	210,088	980,000	1,456,000
		$ 280,044	$ 1,071,000	$ 1,592,500

Changes in the fair value of these securities for the periods ended June 30 are as follows:

	2017	2016
Fair value – beginning of period	$ 1,659,000	$ 371,000
Proceeds on sale – 700,000 Orex shares	-	(213,480)
Change in fair value	(588,000)	1,452,480
Fair value – end of period	$ 1,071,000	$ 1,610,000

The Company's available-for-sale securities are carried at fair value measured using a Level 1 fair value measurement whereby the carrying value is determined by using the quoted closing price of the security as at the balance sheet date. During the period, the Company recorded unrealized losses of $511,560, net of deferred income tax impact of $76,440, through accumulated other comprehensive income.

4. EXPLORATION AND EVALUATION

The Company expenses costs relating to the exploration and evaluation of its mineral properties in the period incurred. A description of the Company's mineral interests follows:

Sandra-Escobar project, Mexico

The Company has staked the Sandra claims located in Durango State, Mexico. In accordance with a 2008 agreement with Pan American Silver Corp. ("Pan American"), the Company also earned a 40% interest in Pan American's Escobar claims in 2012, which are contiguous with the Sandra claims. In addition to these claims, the Company has also acquired various other claims in the area from third parties, all of which form the Sandra-Escobar project.

In September 2015, the Company signed an option agreement with Orex on the Sandra-Escobar project providing Orex with the right to earn up to a 65% interest in the project. Orex can earn an initial 55% interest by paying the Company $500,000 (received) and incurring US$2,000,000 in exploration expenditures over a three-year period. Orex could earn an additional 10% interest by paying the Company $500,000 in cash or shares, at Orex's option, and incurring an additional US$2,000,000 in exploration expenditures within two years. In January 2017, Orex advised the Company that it had completed the required expenditures of US$2,000,000 to earn a 55% interest in the project.

Salamandra project, Mexico

The Salamandra project, located in Durango State, Mexico, was acquired through staking of claims and an option to purchase a 100% interest in the central 900 hectares of claims based on a schedule of payments, of which US$225,000 has been paid to date, and subject to a net smelter returns royalty ("NSR"). In April 2017, the Company renegotiated the terms of this agreement such that the Company can acquire a 100% interest in 900 hectares within the project area with a final payment of US$25,000 bringing the total paid for these claims to US$250,000. The claims will be subject to a 0.5% NSR that can be purchased from the owner for US$500,000.

In May 2013, the Company signed an option agreement with MAG Silver Corp. ("MAG") on the Salamandra project providing MAG with the right to earn up to a 70% interest in the project. In February 2016, MAG withdrew from the agreement without earning an interest. The Company received a total of $500,000 in cash payments from MAG during the term of the agreement.

Under the agreement, MAG had the option of incurring qualifying expenditures on the Salamandra property either directly, or by advancing funds to CRD under a non-interest bearing convertible debenture, which funds would be used to incur expenditures on the property by Minera CRD. In February 2016, MAG withdrew from the agreement without earning an interest in the project. During the term of the agreement, MAG advanced a total of $4,378,742 under the convertible debenture.

The terms of the option agreement provided MAG with the right to convert the debenture into common shares of CRD such that MAG would hold up to a 70% interest in CRD upon exercise of the option. The agreement also provided that should MAG withdraw from the agreement prior to earning an interest, it would forfeit its interest in the convertible debenture. Since the convertible debenture would either be converted into shares or forfeited without repayment, it has been treated as an equity instrument in these financial statements. Accordingly, upon MAG's withdrawal from the agreement, the balance of the convertible debenture has been reclassified to contributed surplus within shareholders' equity.

Expressed in Canadian Dollars

4. EXPLORATION AND EVALUATION – *continued*

La Esperanza project, Mexico

During 2006, the Company entered into an option agreement to earn a 100% interest in certain claims within the La Esperanza project, subject to an NSR of up to 1%, which was purchased by the Company in 2016 for US$15,000. The claims are located in Zacatecas State, Mexico. The Company acquired a 100% interest in these claims in May 2011 and from 2006 to 2010, the Company added further claims by direct staking to increase the size of the project area.

Other projects

The Company has staked other claims located in Durango State, Mexico, which include the Colibri, Carina, Victoria, Vizcaino, and Nora projects. The Company has also staked and holds claims in British Columbia, Canada, which include the Brenda, Lil, Vega, and Granite projects. The Company holds a 100% interest in all of these projects.

Mineral title

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

Expenditures for the periods ending June 30, by activity, are as follows:

	2017	2016
Administration	$ 81,131	$ 110,502
Assays	27,465	-
Consulting	-	22,351
Drilling	346,365	-
Field costs	20,388	15,696
Geological	100,557	46,104
Land holding costs	122,608	178,292
Legal	2,755	461
Mapping and surveying	31,938	1,953
Road building	19,613	-
Transportation and rentals	5,949	8,150
	$ 758,769	$ 383,509

Expressed in Canadian Dollars

4. EXPLORATION AND EVALUATION *- continued*

Expenditures for the periods ended June 30 and cumulative expenditures to June 30, 2017 are as follows:

	Expenditures 2017	Expenditures 2016	Cumulative 2017
Brenda, Canada	$ 8,852	$ -	$ 2,352,039
- Expenditure recoveries	-	-	(206,329)
Vega, Canada	4,795	12,840	249,175
- Expenditure recoveries	-	-	(20,574)
Other, Canada	2,310	6,114	141,233
- Expenditure recoveries	-	-	(14,115)
Sandra-Escobar, Mexico	43,194	29,568	1,829,649
- Expenditure recoveries	-	-	(86,609)
- Option payments received	-	-	(500,000)
Salamandra, Mexico	32,763	181,621	6,006,872
- Expenditure recoveries	-	-	(223,652)
- Option payments received	-	-	(553,989)
La Esperanza, Mexico	626,900	64,512	2,373,263
- Expenditure recoveries	-	-	(262,373)
- Option payments received	-	-	(300,000)
Other, Mexico	39,955	88,854	3,355,159
- Expenditure recoveries	-	-	(131,346)
- Option payments received	-	-	(133,471)
	$ 758,769	$ 383,509	$ 13,874,932

5. SHARE CAPITAL

The Company’s authorized share capital consists of an unlimited number of voting common shares without par value.

Private placements

In February 2016, the Company completed a private placement of 2,000,000 shares at a price of $0.15 per share for gross proceeds of $300,000. The Company paid legal and filing fees of $3,108 in respect of this private placement.

In March 2016, the Company completed a private placement of 4,100,000 shares at a price of $0.22 per share for gross proceeds of $902,000. The Company paid a 6% finder’s fee of $33,000 for a portion of the shares placed. The Company also paid a due diligence fee of $15,190 and filing fees of $5,260 in respect of this private placement.

Expressed in Canadian Dollars

5. SHARE CAPITAL *– continued*

Private placements *- continued*

In June 2016, the Company completed a private placement of 8,000,000 units at a price of $0.32 per unit for gross proceeds of $2,560,000. Each unit consisted of one common share and one-half of one share purchase warrant with each whole warrant entitling the holder to purchase one common share of the Company at a price of $0.50 for a period of two years. The Company paid finders' fees on a portion of the placement, which consisted of 6% in cash and 3% in warrants, with each finder's warrant having the same terms as the placement warrants. The Company paid total finders' fees of $124,320 and issued 194,250 warrants to qualified finders. The fair value of the finders' warrants was estimated at $43,943 using the Black-Scholes Option-Pricing Model with the following weighted-average assumptions: risk-free interest rate of 0.54%, expected dividend yield of 0.00%, estimated stock price volatility of 115%, and expected option life of two years. In addition, the Company paid $21,956 in legal and filing fees in respect of the placement. The warrants are subject to an accelerated exercise clause such that the Company has the right to accelerate the expiry date of the warrants upon 20 days written notice should the trading price of the Company's shares exceed $0.80 for a period of 20 consecutive trading days.

6. STOCK OPTIONS AND WARRANTS

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants			Options		
	Number		Weighted Average Exercise Price	Number		Weighted Average Exercise Price
Outstanding, December 31, 2015	3,000,000	$	0.10	7,050,000	$	0.10
Issued/granted	4,194,250	$	0.50	450,000	$	0.21
Exercised	(3,000,000)	$	0.10	(137,500)	$	0.15
Expired	-	$	-	(200,000)	$	0.35
Outstanding, December 31, 2016	4,194,250	$	0.50	7,162,500	$	0.10
Issued/granted	-	$	-	735,000	$	0.20
Outstanding, June 30, 2017	4,194,250	$	0.50	7,897,500	$	0.11
Exercisable, June 30, 2017	4,194,250	$	0.50	7,897,500	$	0.11

Expressed in Canadian Dollars

6. STOCK OPTIONS AND WARRANTS *- continued*

At June 30, 2017, the Company had outstanding stock options and warrants enabling holders to acquire common shares as follows:

	Number of Shares		Exercise Price	Expiry Date
Options	262,500	$	0.18	October 29, 2017
	375,000	$	0.10	January 4, 2019
	4,950,000	$	0.06	December 21, 2020
	400,000	$	0.21	March 1, 2021
	1,175,000	$	0.20	January 20, 2022 *(i)*
	735,000	$	0.20	January 26, 2022
	7,897,500			
Warrants	762,500	$	0.50	June 21, 2018
	3,431,750	$	0.50	June 29, 2018
	4,194,250			

(i) On January 20, 2017, these options were amended to extend their expiry date from January 20, 2017 to January 20, 2022 with all other terms remaining unchanged.

At June 30, 2017, the weighted-average remaining life for the outstanding stock options was 3.55 years and 1.00 year for the outstanding warrants.

Share-based compensation

The following table presents information relating to incentive stock options granted to directors, officers, employees, and consultants of the Company during the periods ended June 30. Share-based compensation is recorded over the vesting period.

		2017		2016
Total options granted/extended		1,910,000		450,000
Average exercise price	$	0.20	$	0.21
Estimated fair value of options granted/extended	$	256,829	$	64,997
Estimated fair value per option	$	0.13	$	0.14

The fair value of the share-based compensation to be recognized in the accounts has been estimated using the Black-Scholes Option-Pricing Model with the following weighted-average assumptions:

	2017	2016
Risk-free interest rate	1.14%	0.66%
Expected dividend yield	0.00%	0.00%
Expected stock price volatility	95%	89%
Expected forfeiture rate	0.00%	0.00%
Expected option life in years	5.00	5.00

Expressed in Canadian Dollars

6. STOCK OPTIONS AND WARRANTS – *continued*

The Company has recorded share-based compensation as follows:

	2017	2016
Number of options vested in period	1,910,000	450,000
Compensation recognized in period	$ 256,829	$ 64,997

7. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

The Company had transactions with related persons or corporations, which were undertaken in the normal course of operations as follows:

- key management includes executive and non-executive directors and officers. The compensation paid or payable to key management for the periods ended June 30 is as follows:

	2017	2016
Salary	$ 112,500	$ 75,000
Management fees	75,000	39,000
Director fees	24,000	-
Legal fees	7,707	2,982
	$ 219,207	$ 116,982

In addition, the Company recorded share-based compensation of $197,415 (2016 - $nil), which relates to incentive stock options granted to directors and officers. Share-based compensation is a non-cash item calculated using the Black-Scholes Option-Pricing Model with the assumptions detailed in Note 6.

8. COMMITMENTS

The Company has a lease agreement for office premises that expires on September 30, 2018. As at June 30, 2017, monthly payments were $3,318 and include basic rent and common operating costs.

Minimum future annual lease payments (based on current common operating costs) are as follows:

	Amount
2017	$ 20,141
2018	30,560
	$ 50,701

The Company has an employment agreement with the chief executive officer and a management agreement with the chief financial officer for aggregate monthly compensation totalling $31,250 per month. The agreements provide for termination provisions should the contracts be terminated without cause or should there be a change of control of the Company.

Expressed in Canadian Dollars

9. SEGMENTED INFORMATION

The Company currently operates in only one operating segment, that being the mineral exploration industry. The Company operates in the following geographical locations:

June 30, 2017		Canada		Mexico		Total
Property and equipment	$	7,389	$	39,327	$	46,716

December 31, 2016		Canada		Mexico		Total
Property and equipment	$	6,573	$	40,614	$	47,187

10. SUBSEQUENT EVENT

Subsequent to June 30, 2017, the Company announced its intention to undertake a spin-off transaction to segregate its British Columbia properties into a separate company, Canmine Minerals Inc. (“Canmine”). Shareholders of the Company will receive shares of Canmine in proportion to their shareholdings of the Company, which will continue to hold its Mexican properties. It is proposed that the transaction will be carried out as a Plan of Arrangement under the Business Corporations Act (British Columbia) subject to shareholder, regulatory, and court approvals as well as the conditional listing of the shares of Canmine on the TSX Venture Exchange.