Cadillac Ventures Inc.

Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2019

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Cadillac Ventures Inc. ("Cadillac") have been prepared by, and are the responsibility of, management. The unaudited condensed interim consolidated financial statements have not been reviewed by Cadillac's auditors.

CADILLAC VENTURES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	February 28, 2019	**May 31, 2018**
	$	$
ASSETS		
Current assets		
Cash	**170,958**	66,882
Short-term investments (Note 3)	**30,084**	30,121
Accounts receivable and prepaid expenses (Note 5)	**66,324**	59,566
Marketable securities (Note 4)	**901,045**	894,380
Total current assets	**1,168,411**	1,050,949
Non-current assets		
Restricted cash (Note 8)	**400,000**	400,000
Property, plant and equipment (Note 6)	**34,314**	39,699
Exploration and evaluation assets (Note 7)	**22,854,860**	22,613,752
Total non-current assets	**23,289,174**	23,053,451
Total assets	**24,457,585**	24,104,400
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 9 and 17)	**1,153,937**	815,895
Convertible debentures (Note 11)	**495,596**	457,861
Total current liabilities	**1,649,533**	1,273,756
Non-current liability		
Decommissioning provision (Note 8)	**445,201**	438,067
Total non-current liability	**445,201**	438,067
Total liabilities	**2,094,734**	1,711,823
SHAREHOLDERS' EQUITY		
Share capital (Note 12(b))	**31,326,198**	31,326,198
Reserves (Notes 13(b) and 14)	**11,433,438**	11,391,513
Equity component of convertible debentures	**56,930**	56,930
Accumulated deficit	**(20,453,715)**	(20,382,064)
Total shareholders' equity	**22,362,851**	22,392,577
Total liabilities and shareholders' equity	**24,457,585**	24,104,400

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

Nature of business and going concern (Note 1)
Event after the reporting period (Note 18)

CADILLAC VENTURES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended February 28,		Nine Months Ended February 28,	
	2019	**2018**	**2019**	**2018**
	$	$	**$**	$
Expenses				
Share-based compensation (Note 13(a)(i))	**41,925**	-	**41,925**	-
Management and consulting fees (Note 17)	**77,000**	49,800	**147,457**	152,300
Shareholder relations	**7,167**	7,396	**23,458**	41,801
Legal and audit	**13,936**	8,295	**24,180**	35,291
Office and general	**45,336**	50,244	**132,220**	154,188
Travel	**1,361**	4,118	**7,890**	22,282
Accounting and corporate services	**9,414**	10,283	**29,499**	31,658
Advertising, promotions and investor relations	**-**	-	**2,000**	4,395
Depreciation (Note 6)	**1,795**	2,219	**5,385**	6,658
Accretion expense (Note 8)	**2,378**	2,378	**7,134**	7,134
Finance interest and accretion expense (Note 11)	**11,556**	17,456	**43,000**	65,288
Interest and other income	**(1,961)**	(752)	**(4,332)**	(2,063)
Gain on sale of NSR (Note 7(ii))	**-**	-	**(100,000)**	-
Gain on sale of partnership units (Note 10)	**-**	-	**(253,433)**	-
Unrealized (gain) loss on marketable securities (Note 4)	**(34,075)**	50,150	**(28,431)**	192,271
Realized loss (gain) on marketable securities (Note 4)	**-**	-	**40,266**	(3,191)
Gain on forgiveness of loan (Note 10)	**-**	-	**(46,567)**	-
Net loss and comprehensive loss for the period	**(175,832)**	(201,587)	**(71,651)**	(708,012)
Basic and diluted loss per share (Note 15)	**(0.00)**	(0.00)	**(0.00)**	(0.01)
Weighted average number of shares outstanding - basic and diluted	**90,721,266**	85,085,266	**90,721,266**	80,625,905

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

CADILLAC VENTURES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

		Reserves				
	Share Capital	Warrants	Contributed Surplus	Equity Component of Convertible Debentures	Accumulated Deficit	Total
Balance, May 31, 2017	**$ 30,123,458**	**$ 1,157,930**	**$ 10,626,250**	**$ 56,930**	**$ (19,612,334)**	**$ 22,352,234**
Common shares issued for Noront Resources Ltd. (Note 7(i))	50,000	-	-	-	-	50,000
Warrants exercised	992,667	(392,667)	-	-	-	600,000
Share issue costs	(29,687)	-	-	-	-	(29,687)
Net loss for the period	-	-	-	-	(708,012)	(708,012)
Balance, February 28, 2018	**$ 31,136,438**	**$ 765,263**	**$ 10,626,250**	**$ 56,930**	**$ (20,320,346)**	**$ 22,264,535**
Balance, May 31, 2018	**$ 31,326,198**	**$ 765,263**	**$ 10,626,250**	**$ 56,930**	**$ (20,382,064)**	**$ 22,392,577**
Warrants expiry	-	(306,263)	306,263	-	-	-
Share-based compensation (Note 13(a)(i))	-	-	41,925	-	-	41,925
Net loss for the period	-	-	-	-	(71,651)	(71,651)
Balance, February 28, 2019	**$ 31,326,198**	**$ 459,000**	**$ 10,974,438**	**$ 56,930**	**$ (20,453,715)**	**$ 22,362,851**

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

CADILLAC VENTURES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

	Nine Months Ended February 28,	
	2019	**2018**
	$	$
Cash used in operating activities		
Net loss for the period	**(71,651)**	(708,012)
Items not involving cash:		
Share-based compensation	**41,925**	-
Depreciation	**5,385**	6,658
Gain on sale of NSR	**(100,000)**	-
Gain on forgiveness of loan	**(46,567)**	-
Unrealized (gain) loss on marketable securities	**(28,431)**	192,271
Realized loss (gain) on marketable securities	**40,266**	(3,191)
Gain on partnership units	**(253,433)**	-
Accrued interest	**37**	37
Accretion expense	**7,134**	7,134
Finance interest and accretion expense	**37,735**	49,639
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	**(6,758)**	(68,573)
Accounts payable and accrued liabilities	**338,042**	(61,249)
	(36,316)	(585,286)
Cash provided by (used in) investing activities		
Net expenditures on mining rights	**(241,108)**	(305,859)
Redemption of short-term investments	**430,000**	430,000
Purchase of short-term investments	**(430,000)**	(430,000)
Acquisition of equipment	**-**	(1,223)
Proceeds from sale of partnership units	**328,426**	-
Proceeds on sale of NSR	**50,000**	-
Purchase of partnership units	**(74,993)**	-
Cash proceeds from sale of marketable securities	**31,500**	12,465
	93,825	(294,617)
Cash provided by financing activities		
Proceeds from warrants exercised	**-**	600,000
Share issue costs	**-**	(29,687)
Proceeds from loan payable	**74,992**	-
Repayment of loan payable	**(28,425)**	-
	46,567	570,313
Net change in cash during the period	**104,076**	(309,590)
Cash, beginning of period	**66,882**	537,580
Cash, end of period	**170,958**	227,990
Non-cash transactions		
Shares issued to Noront Resources Ltd. (Note 7(i))	**-**	50,000
Shares received on sale of NSR (Note 4)	**50,000**	-

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

1. NATURE OF BUSINESS AND GOING CONCERN

Cadillac Ventures Inc. ("Cadillac" or the "Company") is publicly traded on the TSX Venture Exchange ("TSX-V") under the symbol CDC and on the Frankfurt Stock Exchange under the symbol CIV 1. Cadillac is a development-focused exploration company which has several Canadian exploration projects, located in regions that have been historically active. The Burnt Hill property is a 51% owned tungsten tin project located outside of Fredericton, New Brunswick. The Thierry Mine project is located in Kapkichi Lake Township and Ponsford Lake Township, Ontario. The primary office is located at 1099 Kingston Road, Suite 269, Pickering, Ontario, L1V 1B5.

In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. The Company has had recurring losses and will require additional financing to fund its continuing exploration efforts. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis that assumes the Company will be able to continue to realize its assets and discharge its liabilities in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

In the event the Company is not able to obtain adequate funding, there is uncertainty as to whether the Company will be able to maintain and complete the acquisition and development of its property interests. These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing. These adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated 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 IASB.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of April 25, 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 consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended May 31, 2018, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending May 31, 2019 could result in restatement of these unaudited condensed interim consolidated financial statements.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New accounting standard adopted

Effective June 1, 2018, the Company adopted IFRS 9 - Financial Instruments ("IFRS 9"). In July 2014, the IASB issued the final publication of the IFRS 9 standard, which supersedes IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, new guidance for measuring impairment on financial assets, and new hedge accounting guidance. The Company has adopted IFRS 9 on a retrospective basis, however, this guidance had no impact to the Company's unaudited condensed interim consolidated financial statements.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL").

The new hedge accounting guidance aligns hedge accounting more closely with an entity's risk management objectives and strategies. IFRS 9 does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness; however, it allows more hedging strategies used for risk management to qualify for hedge accounting and introduces more judgement to assess the effectiveness of a hedging relationship, primarily from a qualitative standpoint. The Company has elected to continue with IAS 39 for hedging. This does not have an effect on our reported results.

Below is a summary showing the classification and measurement bases of our financial instruments as at June 1, 2018 as a result of adopting IFRS 9 (along with comparison to IAS 39).

Classification	IAS 39	IFRS 9
Cash	FVTPL	FVTPL
Short-term investments	FVTPL	FVTPL
Accounts receivable	Loans and receivable	Amortized costs
Marketable securities	FVTPL	FVTPL
Restricted cash	FVTPL	FVTPL
Accounts payable and accrued liabilities	Other financial liabilities	Amortized costs
Convertible debentures	Other financial liabilities	Amortized costs

As a result of the adoption of IFRS 9, the accounting policy for financial instruments as disclosed in the Company's May 31, 2018 consolidated financial statements has been updated as follows:

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Company determines the classification of its financial assets at initial recognition.

i. Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss.

The Company's cash, short-term investments, marketable securities and restricted cash are classified as financial assets measured at FVTPL.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New accounting standard adopted (continued)

Financial assets (continued)

ii. Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at FVTPL: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest".

The Company's accounts receivable are classified as financial assets measured at amortized cost.

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

i. Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

The Company's accounts payable and accrued liabilities and convertible debentures do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

ii. Financial liabilities recorded FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New accounting standard adopted (continued)

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Expected credit loss impairment model

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application. The adoption of the expected credit loss impairment model had no impact on the Company's unaudited condensed interim consolidated financial statements.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Recent accounting pronouncements

(i) IFRS 16 - Leases ("IFRS 16") was issued on January 13, 2016 to require lessees to recognize assets and liabilities for most leases. For lessors, there is little change to the existing accounting in IAS 17 - Leases.

The IASB issued its standard as part of a joint project with the Financial Accounting Standards Board ("FASB"). The FASB has not yet issued its new standard, but it is also expected to require lessees to recognize most leases on their statement of financial position.

The new standard will be effective for annual periods beginning on or after January 1, 2019. Early application is permitted, provided the new revenue standard, IFRS 15, has been applied, or is applied at the same date as IFRS 16. The Company is in the process of reviewing the implication of the new accounting pronouncement. Management does not anticipate the impact to be significant.

(ii) Various other accounting pronouncements that have no material impact to the Company are not included above. The Company has not early adopted these standards.

(Expressed in Canadian Dollars)

3. SHORT-TERM INVESTMENTS

Royal Bank Guaranteed Investment Certificates		February 28, 2019		May 31, 2018
Bearing interest at 0.5%, due August 10, 2019	**$**	**30,084**	$	-
Bearing interest at 0.5%, due August 10, 2018		**-**		30,121
	$	**30,084**	$	30,121

4. MARKETABLE SECURITIES

February 28, 2019	Number of Shares		Cost		Unrealized Loss		Fair Market Value
Anconia Resources Corp. ("Anconia")	6,252,000	$	133,797	$	(71,277)	$	62,520
Northern Fox Resources ('NFR")	6,000,000		600,000		-		600,000
Renforth Resources Inc. ("Renforth")	6,815,000		262,638		(24,113)		238,525
		$	996,435	$	(95,390)	$	901,045

May 31, 2018	Number of Shares		Cost		Unrealized Loss		Fair Market Value
Anconia	6,252,000	$	196,530	$	(102,750)	$	93,780
NFR	6,000,000		600,000		-		600,000
Renforth	5,015,000		221,471		(20,871)		200,600
		$	1,018,001	$	(123,621)	$	894,380

During the three and nine months ended February 28, 2019, the Company sold marketable securities for gross proceeds of $nil and $31,500, respectively (three and nine months ended February 28, 2018 - $nil and $12,465, respectively) which resulted in a realized loss on marketable securities of $nil and $40,266, respectively (three and nine months ended February 28, 2018 - realized gain of $nil and $3,191, respectively).

During the three and nine months ended February 28, 2019, the Company recognized a gain on marketable securities of $34,075 and $28,431, respectively (three and nine months ended February 28, 2018 - loss on marketable securities of $50,150 and $192,271, respectively) as a result of change in their fair value.

During the three and nine months ended February 28, 2019, pursuant to the agreement, the Company received 2,000,000 common shares from Renforth which were valued at $50,000. Refer to Note 7(ii).

(Expressed in Canadian Dollars)

5. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

	February 28, 2019	May 31, 2018
Sale tax receivable	**$ 19,241**	$ 13,009
Prepaid expenses	**43,967**	44,245
Accounts receivable	**3,116**	2,312
	$ 66,324	$ 59,566

The following is an aged analysis of the accounts receivable:

	February 28, 2019	May 31, 2018
Less than 12 months	**$ 1,176**	$ 372
Greater than 12 months	**1,940**	1,940
	$ 3,116	$ 2,312

Sales tax receivable is not past due.

6. PROPERTY, PLANT AND EQUIPMENT

Cost	**Equipment and Furniture**	**Mining Equipment**	**Buildings**	**Computer Equipment**	**Total**
Balance, May 31, 2018 and February 28, 2019	**$ 78,257**	**$ 300,575**	**$ 79,500**	**$ 7,603**	**$ 465,935**

Accumulated Depreciation	**Equipment and Furniture**	**Mining Equipment**	**Buildings**	**Computer Equipment**	**Total**
Balance, May 31, 2018	**$ 62,490**	**$ 279,737**	**$ 77,733**	**$ 6,276**	**$ 426,236**
Depreciation	1,563	3,129	396	297	5,385
Balance, February 28, 2019	**$ 64,053**	**$ 282,866**	**$ 78,129**	**$ 6,573**	**$ 431,621**

Net Book Value	**Equipment and Furniture**	**Mining Equipment**	**Buildings**	**Computer Equipment**	**Total**
Balance, May 31, 2018	**$ 15,767**	**$ 20,838**	**$ 1,767**	**$ 1,327**	**$ 39,699**
Balance, February 28, 2019	**$ 14,204**	**$ 17,709**	**$ 1,371**	**$ 1,030**	**$ 34,314**

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

The Company enters into exploration agreements or permits with other companies or foreign governments pursuant to which it may explore, or earn interests in mineral properties by issuing common shares and/or making option or rental payments and/or incurring expenditures in varying amounts by varying dates. Failure by the Company to meet such requirements can result in a reduction or loss of the Company's ownership interests or entitlements under the agreements or permits.

The following expenditures are incurred on the Company's mineral properties:

	Three Months Ended February 28, 2019	Nine Months Ended February 28, 2019	Year Ended May 31, 2018
Burnt Hill Property, New Brunswick			
Opening balance	**$ 6,577,384**	**$ 6,535,660**	$ 6,237,039
Acquisition costs	**-**	**-**	220,000
Administrative	**-**	**40**	55
Consulting	**13,500**	**40,500**	54,000
Management fees	**-**	**-**	83
Other	**-**	**14,684**	24,483
Total expenditures	**13,500**	**55,224**	298,621
Closing balance	**$ 6,590,884**	**$ 6,590,884**	$ 6,535,660
Thierry Mine Project, Ontario			
Opening balance	**$ 16,168,659**	**$ 16,078,092**	$ 15,873,026
Administration	**-**	**3,967**	4,290
Auto, fuel and transportation	**-**	**-**	574
Consulting	**24,000**	**68,000**	96,000
Management fees	**-**	**-**	86
Property taxes	**56,317**	**68,917**	67,963
Other	**15,000**	**45,000**	31,000
Travel and related costs	**-**	**-**	5,153
Total expenditures	**95,317**	**185,884**	205,066
Closing balance	**$ 16,263,976**	**$ 16,263,976**	$ 16,078,092
Total	**$ 22,854,860**	**$ 22,854,860**	$ 22,613,752

(i) On September 26, 2017, Cadillac amended and restated the option agreement with Noront Resources Ltd. ("Noront") regarding the acquisition of Noront's remaining 49% interest in the Burnt Hill Property located near Boisetown, New Brunswick. Once all milestones and/or date sensitive payments are made, Noront will receive an aggregate of $1.8 million through a combination of cash and shares for their 49% interest over the course of 3.5 years.

In September 2017, according to the agreement, Cadillac paid $50,000 in cash to Noront and issued 1,000,000 common shares of Cadillac valued at $50,000.

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

(ii) On November 21, 2018, Cadillac sold 1% net smelter return royalty at New Alger to Renforth for $50,000 and 2,000,000 common shares of Renforth (valued at $50,000).

8. RESTRICTED CASH

The Company has restricted cash comprised of Bankers Acceptances. The Acceptances currently are reinvested on a monthly basis. The restricted amounts have been provided as security for an irrevocable letter of credit to the Ministry of Northern Development and Mines relating to the Thierry Mine Project. As of February 28, 2019 the balance was $400,000 (May 31, 2018 - $400,000).

In respect of the above security on the Thierry Mine Project, management has estimated that the present value of its decommissioning obligation as of February 28, 2019 amounts to $445,201 (May 31, 2018 - $438,067) which has been recognized as decommissioning provision. The present value of the obligation was calculated using a risk-free pre-tax discount rate of 2.41% and the obligation is expected to be realized in 10 years. During the three and nine months ended February 28, 2019, the Company recorded an accretion expense of $2,378 and $7,134, respectively (three and nine months ended February 28, 2018 - $2,378 and $7,134, respectively).

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for purchases relating to expenditures on mining rights and general operating activities.

	February 28, 2019	**May 31, 2018**
Accounts payable	**$ 685,798**	$ 439,978
Accrued liabilities	**468,139**	375,917
	$ 1,153,937	$ 815,895

The following is an aged analysis of the accounts payable and accrued liabilities:

	February 28, 2019	**May 31, 2018**
Less than 1 month	**$ 167,756**	$ 71,268
1 to 3 months	**44,384**	98,539
3 to 12 months	**327,470**	157,484
Greater than 12 months	**614,327**	488,604
	$ 1,153,937	$ 815,895

10. LOAN PAYABLE

On November 5, 2018, the Company entered into a loan agreement for an aggregate amount of $74,992. The loan bears interest of 4% and has no specific terms of repayment. The loan also includes a loan forgiveness condition. The loan proceeds were used by the Company to buy units of a partnership.

On November 20, 2018, the Company signed a sale agreement and sold its interest in the partnership for $328,426, resulting in a gain on sale in the amount of $253,433. On this date, $46,567 of the loan was forgiven.

On December 4, 2018, the Company repaid the balance of the loan payable of $28,425.

(Expressed in Canadian Dollars)

10. LOAN PAYABLE (CONTINUED)

		Amount
Balance, May 31, 2018	**$**	**-**
Loan received		74,992
Loan forgiveness		(46,567)
Loan repayment		(28,425)
Balance, February 28, 2019	**$**	**-**

11. CONVERTIBLE DEBENTURES

Movement in the Convertible Debentures was as follows:

		July 28, 2015		December 30, 2015		Total
Balance, May 31, 2017	**$**	**254,493**	**$**	**119,233**	**$**	**373,726**
Interest expense		21,000		10,500		31,500
Accretion expense		48,701		19,583		68,284
Interest payment		(10,413)		(5,236)		(15,649)
Balance, May 31, 2018		**313,781**		**144,080**		**457,861**
Interest expense		15,707		7,854		23,561
Accretion expense		3,882		15,557		19,439
Interest payment		-		(5,265)		(5,265)
Balance, February 28, 2019	**$**	**333,370**	**$**	**162,226**	**$**	**495,596**

12. SHARE CAPITAL

(a) Authorized

Unlimited number of non-participating, redeemable, voting Class B preference shares.
Unlimited number of Class C preference shares issuable in series.
Unlimited number of common shares with no par value.

(b) Issued common shares

	Number of Shares		Stated Value
Balance, May 31, 2017	**72,085,266**	**$**	**30,123,458**
Common shares issued to Noront (Note 7(i))	1,000,000		50,000
Warrants exercised	12,000,000		992,667
Shares issue costs	-		(29,687)
Balance, February 28, 2018	**85,085,266**	**$**	**31,136,438**
Balance, May 31, 2018 and February 28, 2019	**90,721,266**	**$**	**31,326,198**

(Expressed in Canadian Dollars)

13. SHARE-BASED COMPENSATION AND CONTRIBUTED SURPLUS

(a) Share-based compensation

The following table reflects the continuity of share-based compensation for the periods presented:

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance, May 31, 2017 and February 28, 2018	**5,060,000**	**0.10**

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance, May 31, 2018	**4,855,000**	**0.07**
Granted (i)	2,150,000	0.05
Expired	(1,060,000)	(0.07)
Balance, February 28, 2019	**5,945,000**	**0.06**

As of February 28, 2019, the following share-based compensation were outstanding and exercisable:

	Options Outstanding			Options Exercisable	
Expiry Date	**Number of Options**	**Weighted Average Remaining Contractual Life (years)**	**Weighted Average Exercise Price**	**Number of Options**	**Weighted Average Exercise Price**
January 5, 2021	2,025,000	1.85	$ 0.08	2,025,000	$ 0.08
December 22, 2021	1,770,000	2.81	0.05	1,770,000	0.05
December 21, 2023	2,150,000	4.81	0.05	2,150,000	0.05
	5,945,000	**3.21**	**$ 0.06**	**5,945,000**	**$ 0.06**

(i) On December 21, 2018, the Company granted an aggregate of 2,150,000 stock options granted to the Company's directors, officers, consultants and employees. Each option entitles the holder to acquire one common shares of the Company at an exercise price of $0.05 per share until December 21, 2023. The options vest immediately. The fair value of the 2,150,000 options was estimated on the date of grant using the Black-Scholes option pricing model with the following inputs: dividend yield of 0%; expected volatility of 211%; risk-free interest rate of 1.96%; share price of $0.02 and an expected life of 5 years. The estimated fair value was determined to be $41,925.

(b) Contributed surplus

Contributed surplus consists of estimated value of outstanding options and accumulated value of all expired options and warrants.

Balance, May 31, 2018	**$ 10,626,250**
Warrants expiry	306,263
Share-based compensation	41,925
Balance, February 28, 2019	**$ 10,974,438**

(Expressed in Canadian Dollars)

14. WARRANTS

The following table summarizes warrants that have been issued, exercised or have expired during the periods presented:

	Number of Warrants	Fair Value ($)
Balance, May 31, 2017	**42,289,615**	**1,157,930**
Exercised	(12,000,000)	(392,667)
Balance, February 28, 2018	**30,289,615**	**765,263**

Balance, May 31, 2018	**30,289,615**	**765,263**
Expired	(12,345,000)	(306,263)
Balance, February 28, 2019	**17,944,615**	**459,000**

The following table summarizes the warrants outstanding at February 28, 2019:

Exercise Price per Share ($)	Expiry Date	Number of Warrants Outstanding
0.07	March 30, 2019	12,960,000
0.08	March 30, 2019	4,984,615
		17,944,615

15. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the three and nine months ended February 28, 2019 was based on the loss attributable to common shareholders of $175,832 and $71,651, respectively (three and nine months ended February 28, 2018 – loss of $201,587 and $708,012, respectively) and the weighted average number of common shares outstanding of 90,721,266 and 90,721,266, respectively (three and nine months ended February 28, 2018 – 85,085,266 and 80,625,905, respectively). Diluted loss per share did not include the effect of 5,945,000 options (February 28, 2018 - 5,060,000 options), 17,944,615 warrants (February 28, 2018 - 30,289,615 warrants) and 4,500,000 common shares (February 28, 2018 - 4,500,000 common shares) issuable upon conversion of the Convertible Debentures as they are anti-dilutive.

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim consolidated financial statements for expenses, and loss for the periods also represent segmented amounts.

All of the Company's operations, assets and liabilities are in Canada.

17. MAJOR SHAREHOLDERS AND RELATED PARTY DISCLOSURES

Major shareholders

To the knowledge of the directors and senior officers of the Company, as at February 28, 2019, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than as set out below:

Major Shareholders	Number of Common Shares	Percentage of Outstanding Common Shares
Best Path Developments Limited	9,142,728	10.08%
Jieli Chen	10,428,636	11.50%
Renxia Qi	10,428,636	11.50%
Universal Precious Development Limited	9,705,385	10.70%

The Company's major shareholders do not have different voting rights than other holders of the Company's common shares.

The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Company. To the knowledge of the Company, it is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.

Related parties include the Board of Directors, close family members and entities which are controlled by these individuals as well as certain persons performing similar functions.

The below noted transactions are in the normal course of business and are measured at fair value and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(Expressed in Canadian Dollars)

17. MAJOR SHAREHOLDERS AND RELATED PARTY DISCLOSURES (CONTINUED)

Related party transactions (continued)

(a) The Company entered into the following transactions with related parties:

	Three Months ended February 28,		Nine Months Ended February 28,	
	2019	**2018**	**2019**	**2018**
Norman Brewster (i)	**$ 37,500**	$ 37,500	**$ 108,500**	$ 112,500
Norman Brewster (i)	**4,500**	4,500	**13,500**	13,500
L. O'Shaughnessy & Associates (ii)	**-**	18,750	**9,375**	56,250
CFO Advantage Inc. (iii)	**9,000**	-	**22,500**	-
	$ 51,000	$ 60,750	**$ 153,875**	$ 182,250

(i) During the three and nine months ended February 28, 2019, consulting fees of $37,500 and $108,500, respectively and car allowance of $4,500 and $13,500, respectively were accrued or paid to Norman Brewster, the President and Chief Executive Officer ("CEO") of the Company (comparative period - consulting fees $37,500 and $112,500, respectively and car allowance $4,500 and $13,500, respectively). As at February 28, 2019, an amount of $76,322 was owing to the President and CEO of the Company and was included in accounts payable and accrued liabilities (May 31, 2018 - $25,322).

(ii) During the three and nine months ended February 28, 2019, management fees of $nil and $9,375, respectively (comparative period - $18,750 and $56,250, respectively) were accrued or paid to L. O'Shaughnessy & Associates, a registered business name, for services to be performed by the Chief Financial Officer ("CFO") of the Company. As at February 28, 2019, an amount of $73,013 was owing to the former CFO and was included in accounts payable and accrued liabilities (May 31, 2018 - $76,078).

(iii) During the three and nine months ended February 28, 2019, management fees of $9,000 and $22,500, respectively (comparative period - $nil) were accrued or paid to CFO Advantage Inc., a registered business name, for services to be performed by the CFO of the Company. As at February 28, 2019, an amount of $3,390 was owing to the current CFO and was included in accounts payable and accrued liabilities (May 31, 2018 - $nil).

(b) Directors and key management compensation of the Company was as follows:

	Three Months Ended February 28,		Nine Months Ended February 28,	
	2018	**2017**	**2018**	**2017**
Salaries, benefits and fees	**$ 54,500**	$ 65,250	**$ 164,375**	$ 200,750
Share-based compensation	**37,538**	-	**37,538**	-
	$ 92,038	$ 65,250	**$ 201,913**	$ 200,750

The Board of Directors do not have employment or service contracts with the Company. They are entitled to director fees and share-based compensation for their services. As at February 28, 2019, an amount of $107,000 was owing to directors and was included in accounts payable and accrued liabilities (May 31, 2018 - $96,500).

18. EVENT AFTER THE REPORTING PERIOD

(i) On March 30, 2019, 12,960,000 warrants with an exercise price of $0.07 expired unexercised and 4,984,615 warrants with an exercise price of $0.08 expired unexercised.