FIRESTONE

VENTURES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2018 and 2017

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING and NOTICE TO READER

The accompanying (unaudited) condensed consolidated interim financial statements of Firestone Ventures Inc. (the “Company”) for the three and six months ended September 30, 2018 are the responsibility of the Company’s management (“Management”) and have been prepared by Management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these condensed consolidated interim financial statements in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board for condensed consolidated interim financial statements.

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor. The Company’s independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an entity’s auditor.

Firestone Ventures Inc.

Condensed Consolidated Interim Statements of Financial Position (Unaudited)
(in Canadian dollars)

	September 30, 2018	March 31, 2018
Assets		
Current assets:		
Cash	**$13,942**	$10,506
Accounts receivable	**11,836**	11,223
Prepaid expenses and deposits	**16,143**	16,695
Total assets	**$41,921**	$38,424
Liabilities and equity (deficiency)		
Current liabilities:		
Accounts payable and accrued liabilities (notes 5, 6, 12)	**$109,950**	$79,535
Due to related parties (notes 5, 12)	**11,130**	48,615
Promissory note and debt settlement (note 6)	**186,000**	118,000
Total liabilities	**307,080**	246,150
Equity (deficiency):		
Share capital (note 7)	**$19,556,732**	$19,556,732
Contributed surplus	**4,443,998**	4,376,556
Deficit	**(24,265,889)**	(24,141,014)
Total equity (deficiency)	**(265,159)**	(207,726)
Total liabilities and equity (deficiency)	**$41,921**	$38,424

Nature of operations and going concern (note 1)
Commitments and contingencies (notes 4 and 13)

Approved by the Board of Directors:

"Warren Boyd" ______________________ Director

"Keith Barron" ______________________ Director

See accompanying notes to the condensed consolidated interim financial statements

Firestone Ventures Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (Unaudited)

(In Canadian dollars)

	Three months ended September 30, 2018	2017	Six months ended September 30, 2018	2017
Expenses:				
General and administrative (note 8)	**$58,439**	$199,602	**$118,461**	$234,847
Exploration (note 9)	**8,012**	2,078	**12,258**	12,098
Loss from operating activities	**$66,451**	$201,680	**$130,719**	$246,945
Other income (note 4)	**(6,288)**	-	**(6,288)**	-
Interest income	**(143)**	(3,615)	**(288)**	3,615
Foreign exchange (gain) loss	**553**	556	**732**	(867)
Net loss and comprehensive loss	**$(60,573)**	$(198,621)	**$(124,875)**	$(242,463)
Basic and diluted loss per share (note 10)	**$(0.00)**	$(0.01)	**$(0.00)**	$(0.01)
Weighted average common shares outstanding - basic and diluted	**53,720,791**	36,823,991	**53,720,791**	36,823,991

See accompanying notes to the condensed consolidated interim financial statements

Firestone Ventures Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency) (Unaudited)

(in Canadian dollars)

	Shares #	Share Capital	Contributed Surplus	Deficit	Total Equity (deficiency)
Balance – March 31, 2017	**36,823,991**	**$18,711,892**	**$4,146,793**	**$(23,733,437)**	**$(874,752)**
Stock-based compensation expense	-	-	137,413	5,000	142,413
Net (loss) for the period	-	-	-	(242,463)	(242,463)
Balance – September 30, 2017	**36,823,991**	**$18,711,892**	**$4,284,206**	**$(23,970,900)**	**$(974,802)**
Shares issued for debt settlements	16,896,800	844,840	-	-	844,840
Stock-based compensation expense (note 7(b))	-	-	92,350	-	92,350
Net (loss) for the period	-	-	-	(170,114)	(170,114)
Balance – March 31, 2018	**53,720,791**	**$19,556,732**	**$4,376,556**	**$(24,141,014)**	**$(207,726)**
Stock-based compensation expense (note 7(b))	-	-	67,442	-	67,442
Net (loss) for the period	-	-	-	(124,875)	(124,875)
Balance – September 30, 2018	**53,720,791**	**$19,556,732**	**$4,443,998**	**$(24,265,889)**	**$(265,159)**

See accompanying notes to the condensed consolidated interim financial statements

Firestone Ventures Inc.

Condensed Consolidated Interim Statements of Cash Flows
(in Canadian dollars)

	Six months ended September 30,	
	2018	2017
Cash provided by (used in):		
Operating activities:		
Net loss	**$(124,875)**	$(242,463)
Items not affecting cash		
Stock-based compensation expense (note 7)	**67,442**	142,413
Expired stock options	**-**	(5,000)
Net change in non-cash working capital (note 11)	**(7,131)**	5,617
Net cash flows used in operating activities	**(64,564)**	(99,433)
Financing activity:		
Promissory note advances (notes 6 and 12)	**$68,000**	$104,505
Change in cash	**$3,436**	$5,072
Cash, beginning of period	**10,506**	1,319
Cash, end of period	**$13,942**	$6,391

See accompanying notes to the condensed consolidated interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Firestone Ventures Inc. (the "Company" or "Firestone") was incorporated under the Business Corporations Act (Alberta). The Company's corporate office is located at Suite 1050, 36 Toronto Street, Toronto, Ontario M5C 2C5 and the registered office is located at #1250 – 639 – 5th Avenue S.W., Calgary, Alberta, T2P 0M9.

Firestone is a junior mineral exploration company engaged in the identification, evaluation, acquisition and exploration of mineral property interests with a focus on zinc, lead and copper. Historically, through its wholly-owned subsidiary Fuego Estrella, S.A., ("FESA") the Company has been exploring certain mineral property interests in Guatemala. (See note 4 – Mineral Property Interests).

The Company has no source of operating cash flow and operations to date have been funded primarily from the issuance of share capital and related party loans. As at September 30, 2018, the Company has incurred a net loss of $124,875 (2017 - $242,463) and, as of that date, has a deficit of $24,265,889 (March 31, 2018 - $24,141,014). At September 30, 2018, the Company has a working capital deficiency of $265,159 (March 31, 2018 - $207,726) and is relying on cash advances from a director/principal shareholder to finance working capital (the "Lender") (See note 6 – *Promissory Notes).*

The current financial equity market conditions for exploration companies and the low price of the Company's common shares make it difficult to raise funds by private placements of shares, making the success of any alternative financing ventures uncertain. This material uncertainty, in conjunction with the Company's working capital deficiency and inability to generate cash from operations, casts significant doubt upon the Company's ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. In addition to obtaining funding through private placements, Management is examining other strategic alternatives to address the uncertainties discussed above, including reorganizations, mergers, sales of assets, and other forms of debt and equity financing. There is no assurance that any of these endeavours will be successful.

These condensed consolidated interim financial statements do not reflect any adjustments to the carrying values and classification of assets, or the amounts of, and classification of liabilities that would be necessary if the going concern assumption was not appropriate. Such adjustments could be material.

The amounts shown in note 4, if any, represent costs to date for property acquisition, less amounts written-off, and do not necessarily reflect fair values. The recoverability of the amounts shown for mineral property interests is dependent upon the existence of economically recoverable reserves, securing financing to advance exploration and ultimately upon future profitable production or proceeds from the disposition of mineral exploration properties.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34 - *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the IAS Board.

The accounting policies applied in these condensed consolidated interim financial statements are based on IFRS policies issued and outstanding as of the date the Board of Directors approved the statements (November 27, 2018). The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as those applied in Note 2 of the Company's most recent annual consolidated financial statements for the year ended March 31, 2018 and have been consistently applied throughout all periods presented, as if these policies had always been in effect. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending March 31, 2019 could result in the restatement of these condensed consolidated interim financial statements.

(ii) Basis of presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis using the accrual basis of accounting except for cash flow information. All amounts have been expressed in Canadian dollars ("S"), the functional currency, unless otherwise stated, and USD represents United States dollars and GTQ represents Guatemalan quetzales.

(iii) Basis of consolidation

These condensed consolidated interim financial statements include the financial statements of the Company and its wholly-owned subsidiary FESA, incorporated under the laws of Guatemala). All intercompany accounts and transactions have been eliminated upon consolidation.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiary after eliminating inter-entity balances and transactions.

(iv) Significant accounting judgments and estimates

The application of the Company's accounting policies in compliance with IFRS requires the Company's Management to make certain judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

(iv) Significant accounting judgments and estimates, Continued

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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

i. the inputs used in accounting for valuation of warrants and options which are included in the condensed consolidated interim statement of financial position;

ii. the inputs used in accounting for stock-based compensation expense in the condensed consolidated interim statement of loss;

iii. the nil provision for decommissioning and restoration obligations which are included in the condensed consolidated interim statement of financial position;

iv. the existence and estimated amount of contingencies (See note 13 – *Commitments and Contingencies).*

(v) Changes in Accounting Policies

During the six months ended September 30, 2018, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards including IFRS 9 and IFRIC 22. These new standards and changes did not have any material impact on the Company's condensed consolidated interim financial statements.

3. CAPITAL AND FINANCIAL RISK MANAGEMENT

a) Capital management

The Company considers the capital that it manages to include share capital, contributed surplus and deficit, which at September 30, 2018 was $(265,159) (March 31, 2018 - $(207,726). The Company manages its capital structure and makes adjustments to it, based on the funds needed in order to support the acquisition and exploration of mineral properties. Management does this in light of changes in economic conditions and the risk characteristics of the underlying assets. There has been no change with respect to the overall capital risk management strategy during the six months ended September 30, 2018 and 2017.

3. CAPITAL AND FINANCIAL RISK MANAGEMENT, Continued

a) Capital management, Continued

The Company's continued existence is dependent upon the ability to obtain the necessary financing to complete exploration, obtain necessary government approvals and attain profitable production. Management continues to evaluate and assess new project opportunities consistent with its growth strategy. At September 30, 2018, the Company does not have sufficient funds to continue operating in the normal course; accordingly, Management is pursuing financing strategies including short-term loans to assist the Company in meeting its ongoing financial commitments. (See note 6 – *Promissory Notes and Debt Settlements* and note 12 - *Related Party Transactions).*

b) Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and commodity price risk). Risk management is carried out by the Company's Management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management. There have been no changes in the risks, objectives, policies and procedures during the reporting period.

(i) Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company has no significant concentration of credit risk arising from its operations. Cash is held at select Canadian and Guatemalan financial institutions, from which Management believes the risk of loss to be remote.

The Company does not have any material risk exposure to any single debtor or group of debtors.

(ii) Liquidity risk

Liquidity risk arises through an excess of financial obligations over financial assets at any point in time. The Company's approach to managing liquidity risk is to maintain sufficient readily available cash to continue operations and meet its financial obligations as they become due. As the Company has no producing assets, continued operations are dependent upon its ability to raise adequate financing in the market, through debt or by the disposition of assets.

As at September 30, 2018, the Company had $13,942 in cash to settle $109,950 accounts payable and accrued liabilities, $11,130 of due to related parties and promissory notes of $186,000 (March 31, 2018 - $10,506 in cash to settle $79,535 of accounts payable and accrued liabilities and $48,615 of due to related parties and promissory notes of $118,000). Working capital will continue to fluctuate until the Company has achieved profitable levels of operations and profitability will not occur within the next twelve months; therefore, Management will need to raise additional funds during the year to finance corporate and exploration expenditures

3. CAPITAL AND FINANCIAL RISK MANAGEMENT, Continued

b) Financial risk management, Continued

(iii) Market risk

Market risk is the risk related to changes in the market prices, such as fluctuations in foreign exchange rates and interest rates that will affect the Company's net earnings or the value of its financial instruments.

Interest rate risk

Cash balances are deposited in highly-accessible, low-interest bank accounts that are used for short-term working capital requirements. The Company regularly monitors compliance to its cash management policy.

Foreign currency risk

Certain of the Company's expenses are incurred in USD and GTQ are therefore subject to gains or losses due to fluctuations in these currencies. Management believes that the foreign exchange risk derived from currency conversions is best served by not hedging its foreign exchange risk.

At September 30, 2018 and March 31, 2018, the Company's exposure to foreign currency risk with respect to amounts denominated in USD and GTQ, was substantially as follows:

As at **In Canadian $ equivalents**	**September 30, 2018**	March 31, 2018
Cash	**$11,454**	$2,166
Accounts payable and accrued liabilities	**(25,208)**	(22,489)
Net exposure	**$(13,754)**	$(20,323)

(iv) Commodity price risk

Commodity price risk is defined as the potential adverse future impact on earnings and economic value due to commodity price movements and volatility. The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of zinc, lead and copper.

Commodity prices have fluctuated significantly in recent years. There is no assurance that these metals will be produced in the future or that a profitable market will exist for them. As of September 30, 2018 and March 31, 2018 the Company was not a metals commodity producer.

3. CAPITAL AND FINANCIAL RISK MANAGEMENT, Continued

b) Financial risk management, Continued

(v) Sensitivity analysis

As of September 30, 2018 and March 31, 2018, both the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to their short-term nature. Based on Management's knowledge and experience of the financial markets, the Company believes that a 10% strengthening of the Canadian dollar against the USD and GTQ would have increased the net asset position of the Company as at September 30, 2018 by $1,375 (March 31, 2018 by $2,032). A 10% weakening of the Canadian dollar against the same would have had an equal but opposite effect.

4. MINERAL PROPERTY INTERESTS

a) Torlon Hill Project

The Company owns 100% of the Torlon Hill Project interest.

During the six months ended September 30, 2018, the Company expended $12,258 (2017 - $12,098) for geology and accounting consulting, core storage rentals, and other costs related to permit maintenance and travel expenses. (See note 8 – *Exploration Expenditures).*

The Company continues to maintain its exploration and environment permits for Torlon, in good standing, should Management recommence exploration activities**.**

b) Other Guatemalan Projects

In December 2008, the Company acquired a 100% interest in 12 exploration concessions in Guatemala for total consideration of 310,000 common shares. The concessions are subject to a 2% net smelter royalty ("NSR") in favour of the vendors, of which 1% may be purchased by Firestone for US$1,250,000. The Company has retained 2 out of the 12 original properties. The Company continues to hold a number of other property interests in Guatemala. In total, the Company has 11 exploration concessions awaiting final approval from the Guatemala government. The Company has not made any concession maintenance payments for the properties that have not received final approval.

c) Refund of Reclamation Bond

On August 22, 2018, the Company received $6,288 from the Treasurer, State of Nevada, for the return of a reclamation bond, for an abandoned project.

(in Canadian dollars)

5. ACCOUNTS PAYABLE, ACCRUED LIABILITIES AND DUE TO RELATED PARTIES

As at	**September 30, 2018**	March 31, 2018
Accounts payable	**$71,135**	$33,544
Accrued liabilities	**38,815**	45,991
Due to related parties (notes 6 and 12)	**11,130**	48,615
	$121,080	$128,150

6. PROMISSORY NOTE

During the six months ended September 30, 2018, the Company received $68,000 (2017 - $104,505) from the Lender to meet its financial obligations and at September 30, 2018, the balance of short-term advances owed to the Lender, pursuant to a promissory note is $186,000 (2017 - $118,000).

7. SHARE CAPITAL

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

a) Issued share capital during the six months ended September 30, 2018 and 2017

There were no shares issued during this period.

b) Incentive Plans

The Company maintains a stock option plan (“SOP”) and a restricted stock unit (“RSU”) incentive plan (“RSUP”) under which directors, officers, employees and consultants of the Company and its affiliates are eligible to receive stock options and RSU’s. The SOP is a rolling plan which the maximum number of common shares reserved for issuance is 10% of the issued shares of the Company at the time of granting the options. The RSUP is a fixed plan under which the maximum number of common shares reserved for issuance is 4,612,079.

Both the SOP and RSUP are intended to enhance the Company’s ability to attract and retain highly qualified officers, directors, key employees, consultants and other persons, and to motivate such officers, directors, key employees, consultants and other persons to serve the Company and to expend maximum effort to improve the business results and earnings of the Company, by providing to such persons an opportunity to acquire or increase a direct proprietary interest in the operations and future success of the Company.

(in Canadian dollars)

7. SHARE CAPITAL, continued

b) Incentive Plans, Continued

Stock Options

(i) During the six months ended September 30, 2018, the Company recorded $35,673 (2017 - $142,413) for stock-based compensation expense for (2016) vested options.

(ii) On July 26, 2018, the Company granted an aggregate of 1,000,000 stock options to two directors. Each stock option allows the holder to acquire one common share of the Company at an exercise price of $0.075 for a period of five years. The options vest 1/3 on the grant date, 1/3 on the first anniversary of the grant date and the final 1/3 on the second anniversary of the grant date. The options were estimated to have a fair value of $75,000 on the grant date, using the Black-Scholes option pricing model was based on the following assumptions: expected volatility of 172%; expected useful life of 5.0 years, risk free rate of 2.19%; expected dividend yield of 0%; and share price of $0.075. To September 30, 2018 a total of $31,769 has been expensed for the vested options.

(iii) The following table summarizes stock option activity and the Company's stock options outstanding and exercisable for the six months ended September 30, 2018:

	Number of Options	Weighted Average Exercise Price
Balance - March 31, 2018	**2,875,000**	**$0.05**
Issued	1,000,000	$0.075
Balance – September 30, 2018	**3,875,000**	**$0.06**

Issued Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date	Estimated Fair Value
125,000	125,000	$0.05	May 9, 2019	$11,366
2,750,000	2,750,000	$0.05	July 29, 2021	$302,003
1,000,000	333,333	$0.075	July 26, 2023	$31,769
3,875,000	**3,208,333**			**$345,138**

The weighted average contractual life remaining for stock options as at September 30, 2018 is 4.3 years (2017 – 4.08 years). The above stock options were not included in the computation of diluted net loss per share for the periods presented as they are anti-dilutive.

Restricted Stock Units

All RSU's granted under the RSUP must vest no later than three years from the award of the RSU's. There have been no RSU's granted since inception of the RSUP.

(in Canadian dollars)

8. GENERAL AND ADMINISTRATIVE EXPENSE

	Three months ended September 30,		Six months ended September 30,	
	2018	2017	**2018**	2017
Professional fees and administrative	**$6,915**	$31,908	**$18,499**	$35,079
Office and general	**6,216**	14,994	**12,480**	16,026
Regulatory fees and transfer agent	**6,541**	9,279	**8,040**	18,686
Investor relations and travel	**-**	9,483	**6,000**	16,643
Management fees	**3,000**	3,000	**6,000**	6,000
	$22,672	$68,664	**$51,019**	$92,434
Stock-based compensation	**35,767**	130,938	**67,442**	142,413
TOTAL	**$58,439**	$199,602	**$118,461**	$234,847

9. EXPLORATION EXPENDITURES

	Three months ended September 30,		Six months ended September 30,	
	2018	2017	**2018**	2017
Salaries and geological consulting	**$6,573**	$5,582	**$8,493**	$11,082
Core storage rentals and permits	**1,439**	(3,504)	**3,765**	1,016
TOTAL	**$8,012**	$2,078	**$12,258**	$12,098

10. BASIC AND DILUTED LOSS PER SHARE

For the six months ended September 30, 2018 and 2017, the weighted average number of common shares outstanding was 53,720,791 (2017 - 36,823,991) and the effect of outstanding stock options on loss per share was anti-dilutive. As such, the effect of outstanding stock options used to calculate the diluted loss per share has not been disclosed for the periods presented.

11. SUPPLEMENTAL CASH FLOW INFORMATION

Net change in non-cash working capital

	Six months ended September 30,	
	2018	2017
Accounts receivable	**$551**	$(5,708)
Prepaid expenses and deposits	**(612)**	(1,082)
Accounts payable and accrued liabilities	**(7,070)**	12,407
	$(7,131)	$5,617

(in Canadian dollars)

12. RELATED PARTY TRANSACTIONS

a) Key Management Compensation Expense

In accordance with IAS 24, Key Management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and nonexecutive) of the Company.

During the six months ended September 30, 2018:

A total of $6,000 (2017 - $6,000) plus HST was charged to the Company by the Chief Financial Officer ("CFO") on account of accounting consulting fees and recorded as management fees. Included in account payables and accrued liabilities at September 30, 2018 is $1,130 (2017 - $3,390) owed to the CFO for unpaid services. This amount is unsecured, non-interest bearing and due on demand**.**

During the three months ended September 30, 2018:

A total of $3,000 (2017 - $3,000) plus HST was charged to the Company by the CFO on account of accounting consulting fees and recorded as management fees.

These transactions are in the normal course of operations and are measured at the amount of consideration established by the related parties, except for share-based payments which are measured using the Black-Scholes option pricing model.

The directors of the Company receive no cash compensation but are eligible to receive stock options and RSU's.

	Six months ended September 30,	
	2018	2017
Management consulting fees	**$6,000**	$6,000
Key Management stock-based compensation	**64,744**	136,716
	$70,744	$142,716

b) Other transactions

During the six months (three months) ended September 30, 2018:

(i) The Company incurred $30,000 ($15,000) of service costs, or $5,000 per month, provided by a service company ("ServiceCo1") controlled by a principal shareholder of the Company, who is also President and CEO of the Company. These costs were approved by the Board of Directors under an agreement effective October 1, 2017. These costs were allocated in the condensed consolidated interim financial statements, as follows: $9,000 ($4,500) to office and general (including $6,000 ($3,000) rent expense), $12,000 ($6,000) to professional and administration fees and $9,000 ($4,500) for other expenses categorized as investor relations and travel. Included in accrued liabilities at September 30, 2018 is $26,450 (March 31, 2018 - $30,000) owing for unpaid services. These amounts are unsecured, non-interest-bearing and due on demand.

12. RELATED PARTY TRANSACTIONS, Continued

During the six months (three months) ended September 30, 2017:

(i) The Company incurred $30,000 ($15,000) of service costs, or $5,000 per month, provided by a service company ("ServiceCo2") controlled by a principal shareholder of the Company, who is also President and CEO of the Company. These costs were allocated in the 2017 condensed consolidated interim financial statements, as follows: $9,000 ($4.500) to office and general (including $6,000 ($3,000) rent expense), $6,000 ($3,000) to professional and administration fees, $3,000 ($1,500) to regulatory and transfer agent fees and $12,000 ($6.000) for other expenses categorized as investor relations and travel. Included in accrued liabilities at September 30, 2017 was $120,000 owing to ServiceCo2 for unpaid services. These amounts are unsecured, non-interest-bearing and due on demand.

(ii) (See note 6 – Promissory Note).

13. COMMITMENTS AND CONTINGENCIES

a) Environmental Contingencies

The Company's exploration activities are subject to various federal, state and municipal laws and regulations governing the protection of the environment. The Company conducts its operations so as to protect public health and the environment.

As a condition of maintaining the Company's exploration permits in Guatemala, the Company is required to obtain an environmental license (the "EL"). One of the conditions of the EL is the provision of a monetary guarantee sufficient to meet potential future reclamation costs. Accordingly, the Company has lodged a GTQ 36,344 insurance bond ($6,062) for this purpose. The deposit earns interest, has no maturity date and is fully refundable at the end of the project once the Mining Ministry has signed off that no reclamation work is outstanding.

b) Service Costs Agreement

ServiceCo1 provides rental space, investor relations, administrative and IT services to the Company at a monthly cost of $5,000. This agreement may be terminated by the Company with 90 days' written notice of the Company's intention to terminate the agreement.

c) Advisor Agreement

On November 8, 2017 the Company engaged a former President and Director of the Company to advise the Company on matters related to the Company's Guatemala projects. Compensation for the engagement is the continuation of his 750,000 stock options, originally granted on July 29, 2016. The termination date for the options is the earlier of May 9, 2019 or 30 days after he ceases to be an Advisor.