Claim Post Resources Inc.

Unaudited Interim Condensed Financial Statements

For the three and six months ended
March 31, 2017 and 2016

Claim Post Resources Inc.

MANAGEMENT'S RESPONSIBILITY FOR INTERIM FINANCIAL REPORTING

The accompanying interim condensed financial statements of Claim Post Resources Inc. (the "Company") are the responsibility of management and the Board of Directors of the Company.

The unaudited interim condensed financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim condensed financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the unaudited interim condensed financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") using accounting policies consistent with IFRSs appropriate in the circumstances.

The Board of Directors is responsible for reviewing and approving the unaudited interim condensed financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim condensed financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim condensed financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Charles Gryba"
President and Chief Executive Officer

"Rebecca Hudson"
Chief Financial Officer

NOTICE TO READER

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

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

The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of unaudited interim condensed financial statements by an entity's auditor.

Claim Post Resources Inc.

Interim Condensed Statements of Financial Position

(Expressed in Canadian Dollars)

As at	March 31, 2017 (Unaudited)	September 30, 2016 (Audited)
	$	$
Assets		
Current Assets		
Cash *(Note 6)*	790	15,761
Receivables and other assets *(Note 7)*	21,257	23,900
	22,047	39,661
Liabilities		
Current Liabilities		
Trade and other payables *(Notes 8, 10)*	773,785	642,847
Property taxes payable *(Note 3, 8)*	309,846	309,846
Due to related parties *(Note 10)*	35,901	19,003
	1,119,532	971,696
Non-Current Liabilities		
Due to related parties *(Note 10)*	487,527	346,933
	1,607,059	1,318,629
Shareholders' Equity		
Capital stock *(Note 11)*	9,918,422	6,475,457
Shares to be transferred *(Note 3, 11)*	37,500	37,500
Warrant reserve *(Note 12)*	-	3,422,965
Share-based payments reserve	498,938	498,938
Deficit	(12,039,872)	(11,713,828)
	(1,585,012)	(1,278,968)
	22,047	39,661

Nature of Operations and Going Concern (Note 1)
Commitments and Contingencies (Note 13)
Subsequent Events (Note 14)

Approved by the Board of Directors

"Richard Williams"
Director

"Charles Gryba"
Director

Interim Condensed Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Three months ended March 31,		Six months ended March 31,	
For the periods ended	**2017**	2016	**2017**	2016
	$	$	$	$
Administrative Expenses				
Professional fees *(Note 9)*	**73,844**	69,000	135,689	121,334
General and administrative	**36,793**	35,277	71,074	69,554
Shareholders' information	**9,531**	10,101	14,909	11,208
Investor relations and travel	**4,482**	750	6,662	1,500
	(124,650)	(115,128)	(228,334)	(203,596)
Exploration and evaluation expenditures *(Notes 3)*	**(25,977)**	(22,763)	(97,710)	(42,464)
Net loss and comprehensive loss for the period	**(150,627)**	(137,891)	(326,044)	(246,060)
Loss per share - basic and diluted	**$ (0.001)**	$ (0.001)	**$ (0.002)**	$ (0.002)
Weighted average number of shares outstanding – basic and diluted	**124,883,908**	124,083,908	**124,804,350**	124,083,908

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

Claim Post Resources Inc.

Interim Condensed Statements of Changes in Equity

(Expressed in Canadian Dollars)

(Unaudited)

	Capital Stock		Shares To Be Transferred		Reserves			
	Number of shares	Amount	Number of shares	Amount	Share-based payments	Warrants	Deficit	Total
Balance at October 1, 2015	**124,083,908**	**$ 6,475,457**	**-**	**$ -**	**$ 498,938**	**$ 3,422,965**	**$(11,103,504)**	**$ (706,144)**
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(246,060)	(246,060)
Balance at March 31, 2016	**124,083,908**	**$ 6,475,457**	**-**	**$ -**	**$ 498,938**	**$ 3,422,965**	**$(11,349,564)**	**$ (952,204)**
Shares to be transferred for property option payments (Note 3, 11)	-	-	1,500,000	37,500	-	-	-	37,500
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(364,264)	(364,264)
Balance at September 30, 2016	**124,083,908**	**$ 6,475,457**	**1,500,000**	**$ 37,500**	**$ 498,938**	**$ 3,422,965**	**$(11,713,828)**	**$(1,278,968)**
Shares issued for property option	800,000	20,000	-	-	-	-	-	20,000
Reserve transferred on expired warrants	-	3,422,965	-	-	-	(3,422,965)	-	-
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(326,044)	(326,044)
Balance at March 31, 2017	**124,883,908**	**$ 9,918,422**	**1,500,000**	**$ 37,500**	**$ 498,938**	**$ -**	**$(12,039,872)**	**$(1,585,012)**

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

Claim Post Resources Inc.

Interim Condensed Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Six months ended March 31,	**2017**	2016
Operating activities	**$**	$
Net loss for the period	**(326,044)**	(246,060)
Items not involving cash:		
Shares issued for property option payments	**20,000**	-
Interest accrued on loans from related parties	**16,992**	6,031
	(289,052)	(240,029)
Change in non-cash working capital:		
Receivables and other assets	**2,643**	21,320
Trade and other payables and property tax payable	**130,938**	97,459
	(155,471)	(121,250)
Financing activities		
Repayment of loans from related parties	**(4,000)**	
Proceeds from loans from related parties	**144,500**	146,305
	140,500	146,305
Increase (decrease) in cash	**(14,971)**	25,055
Cash at beginning of period	**15,761**	781
Cash at end of period	**790**	25,836

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Common shares issued for property *(Note 3, 11)*	20,000	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Claim Post Resources Inc. (the "Company" or "Claim Post") was incorporated on September 21, 2005 under the laws of the Province of Ontario.

The Company's head office is located at 4950 Yonge Street, Suite 1008, Toronto, ON, Canada, M2N 7H1. The Company is an exploration stage company whose current focus is the silica sand quarry near Winnipeg, Manitoba; the Company also currently has interests in exploration properties in Timmins, Ontario, Canada. Substantially all of the Company's efforts are devoted to financing and developing these properties. There has been no determination whether the Company's interests in mineral properties contain mineral reserves which are economically recoverable.

The Company's common shares trade on the TSX-V under the trading symbol "CPS". The Company is a reporting issuer in the provinces of Ontario, Alberta and British Columbia.

As at March 31, 2017, the Company had a working capital deficiency of $1,097,125 (September 30, 2016 – $932,035), had not yet achieved profitable operations, had accumulated losses of $12,039,872 (September 30, 2016 - $11,713,828) and expects to incur future losses in the development of its business. These financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. The Company stakes claims strategically and drops claims that are deemed to be of low value claims from time to time.

The Company has historically relied on equity financing to raise capital and future raises may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions may impact the Company's viability given its current capital structure and considers that until the outcome of future activities is known there is significant doubt about the Company's ability to continue as a going concern.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in significant dilution to the shareholders of the Company.

Management plans to secure the necessary financing through the issuance of new equity or debt instruments and through entering into joint venture arrangements. Nevertheless, there is no assurance that these initiatives will be successful.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unaudited interim condensed financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited interim condensed financial statements were authorized for issuance by the Board of Directors of the Company on May 29, 2017.

2.2 Basis of presentation and functional and presentation currency

These unaudited interim condensed financial statements have been prepared under the historical cost basis, except for certain assets which are measured at fair value as explained in the accounting policies set out in Note 3 of the Company's annual audited financial statements for the years ended September 30, 2016 and 2015. In addition, these unaudited interim condensed financial statements have been prepared using the accrual basis of accounting except for cash flow information. Management advises readers of these unaudited interim condensed financial statements to review the audited financial statements and accompanying notes for the years ended September 30, 2016 and 2015 in conjunction with the review of these statements.

The financial statements are presented in Canadian Dollars, which is also the functional currency of the Company.

2.3 Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates and judgments relate to, but are not limited to, the following:

- determination of the flow-through share premium requires the use of estimates when using the residual method while calculating the premium associated with the issuance of flow-through shares compared with common shares;

- ownership and control of property requires the use of judgment; and

- assessment of the going concern assumption as detailed in Note 1 to the financial statements.

2.4 Adoption of new and revised standards and interpretations

Adoption of new and revised standards and interpretations

No new relevant standards were applied for the first time during the period ended March 31, 2017.

Future accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee ("IFRSIC") that are mandatory and would be applicable to Claim Post for annual periods on or after October 1, 2016. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

2.4 Adoption of new and revised standards and interpretations (continued)

Future accounting pronouncements (continued)

- IFRS 9 – Financial instruments ("IFRS 9"), was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. A new hedge accounting model is introduced and represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. The Company has yet to assess the full impact of IFRS 9.

- IFRS 16 – Leases – The standard was issued by the IASB on January 13, 2016, and will replace IAS 17, "Leases". IFRS 16 will bring most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and financing leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The new standard is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted if IFRS 15 has also been applied. The Company is assessing the impact of this standard on the Company's financial statements.

3. EXPLORATION AND EVALUATION EXPENDITURES

The exploration and evaluation expenditures of the Company are detailed as follows:

	Three months ended		**Six months ended**		
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016	**Cumulative to date**
	$	$	**$**	$	**$**
Seymourville Frac Sand Project	**19,188**	17,649	**43,263**	35,294	**3,634,855**
Timmins Area Project Claims	**6,789**	5,114	**54,447**	7,170	**4,149,751**
Exploration and evaluation costs	**25,977**	22,763	**97,710**	42,464	**7,784,606**

	For the three months ended March 31,		***For the six months ended March 31,***	
	2017	2016	**2017**	2016
Acquisition costs	**$ 640**	$ (1,539)	**$ 42,760**	$ (2,175)
Consulting	**18,000**	18,000	**36,000**	36,000
Field offices	**-**	-	**4,529**	-
Other exploration and evaluation	**7,337**	6,302	**14,421**	8,639
	$ 25,977	$ 22,763	**$ 97,710**	$ 42,464

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The Seymourville Frac Sand Project

Seymourville Property

In April 2013, the Company completed the 100% acquisition of nine contiguous silica sand quarry leases (the "Seymourville Property"), pursuant to a Letter of Intent ("LOI") announced on August 27, 2012 with Char-Crete Ltd. ("Char Crete"), a private company. Under the agreement, Claim Post acquired a 100% interest in the Seymourville Property by incurring a total of $1,500,000 in cash payments. The property encompasses approximately 428 hectares (1,050 acres), which is subject to certain production royalties. The property is near Seymourville, 200 km north-east of Winnipeg, Manitoba, Canada.

In addition to the cash payments, the vendor is entitled to receive royalty payments in the event that the project reaches the production stage, and these are payable within 90 days after each three (3) month period ending March 31st, September 30th, September 30th and December 31st of each calendar year as follows:

1. On frac sand sold:
   - $1.00 per tonne on frac sand from the Seymourville Property
   - $1.00 per tonne on frac sands from any newly staked properties within a 10 km radius of the Seymourville Property (excluding lands of Native Groups)
   - Royalty payments will only be made on tonnes of frac sand that is sold, delivered and paid for, not on frac sand that is stockpiled or in transit

2. On pit sand, gravel, rock, kaolinite or clay:
   - $0.50 per tonne on such products from the Seymourville Property
   - $0.50 per tonne on such products from any newly staked properties within a 10 km radius of the Seymourville Property (excluding lands of Native Groups)
   - Royalty payments will only be made on tonnes sold, delivered and paid for, not stockpiled or in transit

3. On foundry sands, smelter flux, glass and similar products:
   - $0.50 per tonne on such products from the Seymourville Property
   - $0.50 per tonne on such products from any newly staked properties within a 10 km radius of the Seymourville Property (excluding lands of Native Groups)
   - Royalty payments will only be made on tonnes sold, delivered and paid for; not stockpiled or in transit

Claim Post can acquire 50% of the Royalty for $3,500,000 any time after the Company completes the property payments and the remaining 50% of such Royalty for an additional $3,500,000.

On July 5th, 2013 Claim Post received notice from legal counsel for Simmons Construction Limited ("Simmons Group") requesting information on the purchase of leases from Char Crete in connection with the Seymourville Property. The notice indicated that Simmons Group, acting on its own behalf and as agent for others, holds a debenture from Char Crete that creates a security interest in the undertaking and all the assets of Char Crete. The Simmons Group claim purports to include the nine quarry leases purchased by Claim Post. The total principal amount of the debenture on all Char Crete assets is $1,243,458.

The Simmons Group registered its security interest under the Manitoba Personal Property Security Act on January 15, 2013. The Simmons Group debenture was executed on November 29, 2012. Accordingly, Claim Post takes the position that the Simmons Group security interest did not attach to the Char Crete quarry leases as they were not owned by Char Crete as at the date of the debenture registration. In July 2013, the Company initiated legal proceedings to enforce the Char Crete Agreement and has brought an application for a determination and a declaration as to the ownership of said leases. As of the date of this report, negotiations between the Company and The Simmons Group were still on-going.

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The Seymourville Frac Sand Project (continued)

Seymourville Property (continued)

On January 13, 2017 the Company received permission to conduct exploration activities on the nine quarry leases which remain registered under Char Crete Ltd. ("Char Crete") due to certain legal issues. Claim Post plans to conduct exploration activities on the Char Crete leases including obtaining work permits to line cut and drilling and other general exploration. Char Crete has no objection to these proposed activities and agreed to assist and co-operate in obtaining permission from the various Manitoba Ministries and Agencies, including Conservation, Mines Branch and others to undertake these activities by submitting written applications and other documents.

Manigotagan Property

On June 18, 2013, the Company entered into an agreement, and subsequently amended June 23, 2015, to purchase the Manigotagan Frac Sand Project ("Manigotagan Property") from Gossan Resources Limited GSS-V ("Gossan"). The property encompasses nine quarry leases (306 hectares) and is contiguous to Claim Post's wholly-owned Seymourville Property (428 hectares).

The total payable to Gossan for the purchase of the Manigotagan Property will be as follows:

1. 1,000,000 common shares of Claim Post or $50,000, at Claim Post's sole discretion on signing the Agreement (shares issued);

2. 2,000,000 common shares of Claim Post or $200,000, at Claim Post's sole discretion on or before December 18, 2013, which is 6 months after the signing of the Agreement (shares issued);

3. $350,000 payable June 18, 2014, which is 12 months after the signing of the Agreement; (paid)

4. $350,000 payable December 18, 2014, which is 18 months after the signing of the Agreement; (paid)

5. During 2015, the Company amended the Agreement to extend the due date of the $430,000 payment for 6 months to December 18, 2015 subject to interest at 1% per month, and a payment of 1,000,000 common shares (shares issued) as well as an increase in the advance royalty provisions. Under the terms of an amended agreement, an initial annual advance royalty payment of $50,000 payable commencing as of June 18, 2016, now becomes a semi-annual advance royalty payment of $50,000 payable commencing as of December 18, 2015. As of the date of this report, the Company had not made the required payments as outlined in the amended agreement and is currently involved in negotiations with Gossan to renegotiate the payment terms.

By purchasing the Manigotagan Property, Claim Post is obligated to pay a Royalty Interest (the "Royalty") to Gossan in the amount of $1.00 dollar per tonne of frac sand plus $0.50 per tonne for other silica sand or clay products sold from the Manigotagan Property in the event that the project reaches the production stage. Claim Post can acquire 50% of the Royalty for $1,500,000 any time after the Company completes the property payments.

On July 13, 2015, the Company announced that it had signed a Memorandum of Understanding ("MOU") with both Hollow Water First Nation ("Hollow Water") and the Incorporated Community of Seymourville ("Seymourville") regarding the Seymourville Silica Sand Project, that will pave the way for long-term economic benefits for these communities and residents of the surrounding areas. Under the MOUs, Claim Post recognizes and respects Aboriginal and Treaty rights and interests in the area of the Seymourville Silica Sand Project.

In mid-February, 2017 Company management received a letter from Gossan Resources Limited, inquiring about the outstanding balance owing on the purchase of the Seymourville property and requesting payment. A response was delivered on February 27th, noting that efforts to fund the Company were ongoing.

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Timmins Area Project Claims

Claim Post Resources has a total of 390 claims in the Porcupine Mining District ("The Timmins Area Project"), of which 61 are patented claims included in the Dayton Porcupine Claims Project and the Racetrack Property Option.

The Timmins Area Project staked claims are 374 claim units (September 30, 2016 - 323 claim units). 268 staked claim units are located in the Godfrey, Turnbull, Jamieson, Robb and Mountjoy Townships, of which 182 claim units are specifically in Mountjoy Township ("The Mountjoy Project"); 37 staked claim units specifically in the Deloro Township (:the Lynx Project"), and; 83 staked claim units in Ogden Township.

During the three months March 31, 2017, Claim Post allowed some claims to lapse as they were no longer in line with the Company's strategic objectives and has re-staked the claims that Management has deemed to add value to the Company's land holdings.

Racetrack Property Option

On September 13, 2010 the Company entered into a sub-option agreement to earn up to a 100% interest in 112 claim units and 12 patented claims (Racetrack Property Option) from Electra Gold Ltd. The Racetrack Property Option includes mineral rights which have been optioned by Electra Gold Ltd. from two third parties. The claims are in Ogden Township and will add to Claim Post's 100% owned Dayton Porcupine Claims located near Timmins, Ontario.

Under the option agreement, Claim Post is the operator of the Racetrack Property and had earned a 50% interest in the 112 units or claims by incurring a total of $20,000 in cash payments, the issuance of 700,000 shares of the Company, plus incurring $120,000 in exploration expenditures by completing an airborne survey, a MMI Geochemistry program followed by diamond drilling of the main targets.

On June 10, 2016 the Company signed an amending agreement to earn the remaining 50% interest in the Racetrack Property Option by issuing 1,500,000 Claim Post shares. Claim Post has issued the shares from Treasury on June 23, 2016 and will deliver the shares to Electra Gold upon transfer of title to the property to Claim Post. At that time, Claim Post will have acquired 100% interest in the Racetrack Property. As of September 30, 2016 the shares are presented as shares to be transferred within the statement of changes in equity with a fair value of $0.025 per share.

The Racetrack claims are subject to underlying NSR royalties with royalty buyout clauses. The 103 staked units have a 2% NSR royalty, with a $1 million dollar buyout for 1% NSR, and the 12 patented claims have a 3% NSR royalty with a $1 million dollar buyout of 2% NSR.

Dayton Porcupine Claims Project

On May 10, 2010, the Company completed the acquisition of a 100% interest in 49 patented claims in Deloro and Ogden Townships, south of Timmins. The purchase price was $5,000 cash, plus one million (1,000,000) common shares of the Company at a price of $0.25 per share for 100% ownership of both the patented surface rights and patented mining rights, subject to an aggregate total 3% Net Smelter Royalty ("NSR"). On acquisition of the claims, the Company had also assumed the liability of approximately $257,000 in property taxes on the patented surface rights that are in arrears to the Township.

In August 2013, the Company received notice from the City of Timmins that failure to pay the property taxes in arrears would result in loss of the surface rights of the property. The Company still holds and will maintain the underlying, patented mineral rights to these claims, of which taxes are fully paid and up to date. Claim Post Management has determined to forfeit the surface rights, which continue to be registered in Claim Post's name until such time as the taxes in arrears are paid or the surface rights are sold to a third party. As of the date of this report, the status of the surface rights of the property remains unchanged. If and when the City of Timmins is able to sell the surface rights of this property, the outstanding tax balance of $309,846 on Claim Post's Statement of Financial Position will be eliminated and assumed by the buyer.

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Timmins Area Project Claims (continued)

Dayton Porcupine Claims Project (continued)

On October 13, 2016, the Company completed the acquisition 100% interest of twenty three (23) claim units in Deloro Township. Under the terms of the Agreement, the Company made a cash payment of 5,000 and issued 400,000 common shares of the Company.

On October 18, 2016, the Company completed the acquisition 100% interest of three (3) claim units in Godfrey Township. Under the terms of the Agreement, the Company made a cash payment of $7,500 and issued 400,000 common shares of the Company. Upon commencement of commercial production, Claim Post shall pay a net smelter returns royalty, being equal to two per cent (2%) of the Net Smelter Returns (the “NSR Royalty”), of which on per cent 1% may be purchased back by Claim Post at any time for a cash payment of $1,000,000.

4. CAPITAL MANAGEMENT

The Company includes capital stock, shares to be transferred, warrant reserve, share-based payments reserve and deficit in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties and to ensure it continues as a going concern. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management to sustain future development of the business.

All of the properties in which the Company currently has an interest are in the exploration stage with no operating revenues; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if management feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Recent market conditions have and are expected to continue to have an adverse impact on the ability of junior mining exploration companies to secure equity funding. The Company has historically relied on equity financing to raise capital and will continue its attempts to do so. Although Claim Post was successful in securing debt and equity financing in the current and recent periods, there is no guarantee that future fund-raising attempts will be equally successful.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to any capital requirements imposed by regulatory bodies other than by the TSX Venture Exchange ("TSX-V"), which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative costs for a period of 6 months. As of the date of this report, the Company is not compliant with the policies of the TSX-V. The impact of this violation is not known and is ultimately dependent on the discretion of the TSX-V.

5. FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL AND OTHER RISK

The Company classifies financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates;

5. FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL AND OTHER RISK (continued)

And
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash is classified as level 1.

The Company's financial instruments are exposed to financial and other risks as summarized below:

Fair value

As at March 31, 2017, the carrying and fair value amounts of the Company's cash, trade and other payables, property taxes payable and due to related parties are approximately equivalent.

Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price if one exists.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

i) Credit risk

The Company's credit risk is primarily attributable to cash and receivables and other assets included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consists of bank deposits, which are held by a Canadian chartered bank, and management believes the risk of loss is remote. The Company's receivables and other assets are normally collected within a 60-90 day period. The Company has not experienced any significant collection issues to March 31, 2017.

The Company's maximum exposure to credit risk as at March 31, 2017 is the carrying value of cash.

ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and ensuring an adequate supply of funds to enable the Company to carry out its intended programs. As at March 31, 2017, the Company had a cash balance of $790 (September 30, 2016 - $15,761) to settle current liabilities of $1,119,532 (September 30, 2016 - $971,696). As such, liquidity risk for the Company should be considered high. All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms. Interest payable on the loan of $487,527 described in Note 10 and on the outstanding property payment described in Note 3 (Manigotagan Property), will further impact the Company's liquidity risk and working capital in the short term.

As at March 31, 2017, the Company had working capital deficiency of $1,097,125 (September 30, 2016 – $932,035). In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that Claim Post will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of Claim Post may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

(Expressed in Canadian Dollars)

5. FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL AND OTHER RISK (continued)

iii) Interest rate risk

The Company's current policy is to invest excess cash in investment-grade, short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Management considers interest rate risk to be minimal given that, as at March 31, 2017, $NIL (September 30, 2016 – $NIL) were held in short-term deposit certificates.

The Company is subject to interest charges of prime plus 5% on related party loans payable (Note 12) and 1% per month on an outstanding property payment (Note 5, Manigotagan Property). The Company is subject to interest rate risk on the outstanding loan given that the rate is tied to the prime interest rate set by major banking institutions, which is subject to change without notice. Interest rate risk on the outstanding property payment is considered to be minimal since the rate is fixed at 1% per month.

6. CASH

The cash balance at March 31, 2017, consists of $790 (September 30, 2016 - $15,761) on deposit with a major Canadian bank.

7. RECEIVABLES AND OTHER ASSETS

The Company's receivables and other assets arise from two main sources: 1) prepaid expenses; and 2) harmonized sales tax ("HST") receivable from government taxation authorities. These are broken down as follows:

As at		**March 31, 2017**		September 30, 2016
Prepaid expenses	**$**	**5,289**	$	10,912
HST receivable		**15,968**		12,988
Total receivables and other assets	**$**	**21,257**	$	23,900

8. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following is an aged analysis of the trade and other payables and property taxes payable:

As at		**March 31, 2017**		September 30, 2016
Less than 1 month	**$**	**35,830**	$	74,244
Over 3 months*		**1,047,740**		878,449
Total trade and other payables	**$**	**1,083,570**	$	952,693

Included in this balance is $309,846 (September 30, 2016 - $309,846) in property taxes relating to the acquisition of the Dayton Porcupine Claims (Note 5).

(Expressed in Canadian Dollars)

9. KEY MANAGEMENT COMPENSATION

The remuneration of directors and other members of key management personnel during three months March 31, 2017 and 2016 were as follows:

	Three months ended March 31,		Six months ended March 31,	
	2017	2016	**2017**	2016
Management and consulting fees	**$ 33,000**	$ 33,000	**$ 63,000**	$ 63,000

In accordance with IAS 24, Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

10. DUE TO RELATED PARTIES

As at March 31, 2017, the trade and other payables balance includes related party amounts of $516,316 (September 30, 2016 - $403,297). The related parties are directors and officers of the Company, an individual who is related to the President and CEO of the Company and entities over which executive management and directors have control or significant influence. The amounts are for services rendered during the year and arose as a result of transactions entered into with the related parties in the ordinary course of business.

The Company incurred $30,000 (2015 - $30,000) in consulting fees to the individual who is related to the President and CEO of the Company.

The Company has executed various Promissory Notes with directors and officers of the Company in the aggregate amount of $523,427 as at March 31, 2017 (September 30, 2016 - $365,936), which includes accrued interest of 30,293 (September 30, 2016 - $19,003). The Promissory Notes are unsecured and bear an interest at a rate of prime plus 5% calculated and payable quarterly in arrears. $380,449 in principal will be due and payable on November 1, 2018 and $57,617 in principal will be due and payable on February 1, 2019. The Company has the right to prepay all or part of the Promissory Notes, plus accrued interest, if any, at any time and from time to time without bonus or penalty. The proceeds from the loans were used for general operating expenses.

11. CAPITAL STOCK

(a) Authorized

As at March 31, 2017 and September 30, 2016 the Company's authorized number of common shares was unlimited and without par value.

(b) Issued

	Number of Shares	Amount
Balance at October 1, 2015	**124,083,908**	**$6,475,457**
Shares issued for property option payment	800,000	20,000
Reserve transferred on expired warrants	-	3,422,965
Balance at September 30, 2016 and March 31, 2017	**124,883,908**	**$9,918,422**

11. CAPITAL STOCK (continued)

On June 23, 2016 the Company issued 1,500,000 shares from treasury to earn the remaining 50% interest in the Racetrack Property. As at March 31, 2017, these shares had not yet been transferred out of treasury. See Note 3 for details.

On October 13, 2016, the Company issued 400,000 common shares of the Company to acquire 100% interest of twenty three (23) claim units in Deloro Township. See Note 3 for details.

On October 18, 2016, the Company issued 400,000 common shares of the Company to acquire 100% interest of three (3) claim units in Godfrey Township. See Note 3 for details.

On December 20, 2016 the Company announced its intention to raise up to $2,000,000 through a private placement offering (the "Offering"). The Offering is for up to 40,000,000 Units, for maximum gross proceeds of $2,000,000, which may be comprised of Common Share Units and Flow-Through Share Units of the Company at an issuance price of $0.05 per Common Share Unit and $0.05 per Flow-Through Share Unit.

Subscribers may choose to subscribe for only Common Share Units or Flow-Through Share Units or a combination of both. Each Common Share Unit consists of one (1) common share and (1) one common share purchase warrant at an exercise price of CDN $0.10 cents per share for a period of two (2) years from the date of issuance. Each Flow-Through Unit consists of one (1) Flow-Through common share and one-half (1/2) of one Warrant at an exercise price of CDN $0.10 cents per share for a period of (1) one year from the date of issuance.

If the volume weighted average trading price of the Common Shares on the TSX Venture Exchange for any 20 consecutive trading days equals or exceeds CDN $0.15 per share, the Company may, upon providing written notice to the holders of the Warrants, accelerate the expiry date of the Warrants to the date that is 30 days following the date of such notice.

The Offering will be conducted by the Company utilizing the "existing shareholder exemption" as described in Multilateral CSA Notice 45-313 - Prospectus Exemption for Distributions to Existing Security Holders (the "Existing Shareholder Exemption"), as well as exemptions under the "accredited investor" exemption of National Instrument 45-106 - Prospectus and Registration Exemptions ("NI 45-106"), and also other applicable exemptions available to the Company.

All securities issued will be subject to a four (4) month hold period from the date of closing. The Offering is subject to the approval of the TSX Venture Exchange.

At closing of the Offering finder's fees of up to 8% of gross proceeds may be payable in cash. In addition the Company will issue finder's warrants equal to 8% of the number of units subscribed for in the offering. Each finder Warrant will be exercisable for one common share of the Company at an exercise price of CDN $0.05 per share for a period of 2 years from the issue date. The acceleration provision, set out above, shall also apply to the Finder's Warrants.

(c) Stock Options

Stock Option Plan

The Company maintains a stock option plan (the "Stock Option Plan") which was approved by the shareholders of the Company. The Stock Option Plan is a "rolling" plan under which up to 10% of the issued and outstanding Common Shares of the Company from time to time, subject to adjustment in certain circumstances, may be issued.

In the event that no specific determination is made by the Board with respect to any of the following matters, the period during which an option shall be exercisable shall be five years from the date of grant, except those options issued to persons or consultants employed in Investor Relation activities shall vest in stages over 12 months with no more than one quarter of the options vesting in any three-month period.

(Expressed in Canadian Dollars)

11. CAPITAL STOCK (continued)

(c) Stock Options (continued)

Stock Option Plan (continued)

The purpose of the Stock Option Plan is to develop the interest of bona fide officers, directors, employees, management company employees, and consultants of the Company in the growth and development of the Company by providing them with the opportunity through stock options to acquire an increased proprietary interest in the Company.

All outstanding options have been expensed as share-based payments in the period in which they vested. At March 31, 2017, 3,550,000 (September 30, 2016 – 3,550,000) options were outstanding and exercisable and have a weighted average exercise price of $0.10 (September 30, 2016– $0.10) per option.

A summary of stock options issued and outstanding is as follows:

As at	March 31, 2017		September 30, 2016	
	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price	Number of Options
Outstanding at beginning of period/year	**$ 0.10**	3,550,000	$ 0.10	3,550,000
Transactions during the period/year:				
Granted	**-**	-	-	-
Expired	**-**	-	-	-
Outstanding at end of period/year	**0.10**	3,550,000	0.10	3,550,000
Exercisable at end of period/year	**$ 0.10**	3,550,000	$ 0.10	3,550,000

The weighted average remaining contractual life of the options outstanding at year end is 1.01 years (September 30, 2016 – 1.39 years).

Share-based payments

Option pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Volatility is based on the historical volatility of the Company. Changes in the underlying assumptions can materially affect the fair value estimates.

Options issued to non-employees were valued using the fair value of the equity instrument granted in the absence of a reliable estimate of the fair value of the goods or services received.

12. WARRANT RESERVE

A summary of the changes in the Company's reserve for warrants is set out below:

As at	March 31, 2017		September 30, 2016	
		Number of Warrants		Number of Warrants
Outstanding at beginning of period/year	**$ 3,422,965**	**43,310,933**	$ 3,422,965	49,503,433
Transactions during the period/year:				
Exercised	**-**	**-**	-	-
Expired	**(3,422,965)**	**(43,310,933)**	-	(6,192,500)
Outstanding at end of period/year	**$ -**	**-**	$ 3,422,965	43,310,933

The weighted average exercise price per warrant of the outstanding warrants as at March 31, 2017 was $NIL (September 30, 2016 – $0.10).

(Expressed in Canadian Dollars)

12. WARRANT RESERVE (continued)

Option pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Volatility is based on the historical volatility of the Company. Changes in the underlying assumptions can materially affect the fair value estimates.

Broker warrants issued to non-employees were valued using the fair value of the equity instrument granted in the absence of a reliable estimate of the fair value of the goods or services received.

The following is a summary of warrants:

Expiry date	Balance September 30, 2016	Granted	Exercised	Expired or retracted	Balance, March 31, 2017	Weighted average exercise price
October 17, 2016	385,000	-	-	385,000	-	$ 0.10
November 7, 2016	38,795,733	-	-	38,795,733	-	$ 0.10
December 18, 2016	2,675,000	-	-	2,675,000	-	$ 0.10
January 31, 2017	1,455,200	-	-	1,455,200	-	$ 0.10
	43,310,933	-	-	43,310,933	-	$ 0.00

13. COMMITMENTS AND CONTINGENCIES

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company is committed to monthly payments under the terms of operating agreements for the office space and management and consulting fees. The aggregate remaining payments per year are as follows:

2017	$ 180,611
2018	$ 42,754
2019	$ 28,575
2020	$ 28,313

See Note 3 for additional commitments.

14. SUBSEQUENT EVENTS

On May 17, 2017 the Company announced that it intends to conduct a non-brokered private placement of unsecured convertible debentures for total gross proceeds of up to $3 million at a price of $1,000 and integral multiples thereof per Debenture. The Debentures will have an interest rate of 10% per annum, compounded quarterly from their date of issuance and payable in arrears on maturity. The Debentures will mature on the date that is one (1) year from the date of issuance. In lieu of a cash repayment on the Maturity Date, the Company has the option to pay all or any portion of the principal and/or accrued interest by issuing common shares to the holders of Debentures at a deemed price of $0.055 per Common Share.

14. SUBSEQUENT EVENTS (continued)

The holders of the Debentures have the option at any time prior to the earlier of the Maturity Date, a "change of control" of the Company or the business day immediately preceding the date specified by the Company for redemption of the Debentures to convert the principal amount of some or all of the Debentures and accrued interest thereon into Common Shares at a conversion price of $0.055 per Common Share. Prior to the Maturity Date, the Company may at any time following the completion of a separate financing of at least $2 million for the purpose of developing the Company's "Seymourville Silica Sand Project" at its option redeem all, or any portion of the principal and accrued interest on the Debentures at a cash price equal to all outstanding principal and accrued interest under each Debenture plus a redemption premium equal to either: (i.) an additional 5% of the principal sum if the redemption occurs within six months from the date of issuance of the Debentures; or (ii) an additional 3% of the principal sum if the redemption occurs after six months from the date of issuance of the Debentures.

The net proceeds of the Offering will be used for the early repayment of existing shareholder loans owed to the Company in the aggregate amount of $417,328.22, the final payment to a third party on a quarry lease on the Company's "Seymourville Silica Sand Project" and for general working capital purposes.

All of the directors of the Company, being Charles Gryba, Lowell Jackson, John Assman and Richard Williams, will participate in the Offering in the aggregate amount of $376,308.59, thereby making the Offering a "related party transaction" as defined under Multilateral Instrument 61-101 ("**MI 61-101**"). The Offering is exempt from the need to obtain minority shareholder and a formal valuation as required by MI 61-101 as the Company is listed on the TSX Venture Exchange and the fair market value of the Debentures to insiders or the consideration paid by insiders of the Company does not exceed 25% of the Company's market capitalization. No new insiders are anticipated to be created, nor will there be any change of control as a result of the Offering.

Closing of the Offering remains subject to final acceptance of the TSX Venture Exchange. The Company may pay finder's fees in connection with the issuance of the Debentures under the Offering. The Debentures and the Common Shares issuable upon conversion of the Debentures will be subject to a statutory hold period expiring on the date that is four months and one day after closing.

The Offering will be conducted by the Company utilizing the "accredited investor" exemption of National Instrument 45-106 - *Prospectus and Registration Exemptions* and also other applicable exemptions available to the Company.

At May 29, 2017, Management has evaluated that there were no events in addition to those disclosed above which occurred subsequent to March 31, 2017 that require disclosure.