CONSOLIDATED FINANCIAL STATEMENTS

WEST KIRKLAND MINING INC.

For the period ended March 31, 2018
(Expressed in Canadian dollars)

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

The Company’s external auditors, Deloitte LLP, have not performed a review of these financial statements.

May 29, 2018

West Kirkland Mining Inc.

Condensed Consolidated Interim Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

		March 31, 2018		December 31, 2017
Assets				
Current:				
Cash	**$**	**1,049,798**	$	228,492
Accounts receivable		**98,470**		93,105
Prepaid expenses and other		**38,921**		36,616
Total current assets		**1,187,189**		358,213
Non-current assets:				
Reclamation bond (Note 4)		**264,806**		257,638
Property and equipment (Note 5)		**40,143**		43,236
Mineral properties (Note 6)		**40,451,009**		38,907,926
Total assets	**$**	**41,943,147**	$	39,567,013
Liabilities and Equity				
Current:				
Accounts payable and accrued liabilities	**$**	**184,946**	$	179,837
Total current liabilities		**184,946**		179,837
Non-current liabilities:				
Reclamation provision		**69,157**		67,285
Total liabilities	**$**	**254,103**	$	67,285
Equity:				
Share capital (Note 7)	**$**	**54,717,267**	$	53,365,978
Warrant reserve (Note 7)		**4,418,817**		4,418,817
Share based payment reserve (Note 7)		**1,000,674**		1,074,510
Foreign currency translation reserve		**5,777,942**		4,691,403
Deficit		**(24,904,847)**		(24,866,248)
Total shareholders' equity attributable to the shareholders of West Kirkland Mining Inc.	**$**	**41,009,853**	$	38,684,460
Non-controlling interest		**679,191**		635,431
Total shareholders' equity		**41,689,044**		39,319,891
Total liabilities and shareholders' equity	**$**	**41,943,147**	$	39,567,013

Going Concern (Note 1)
Commitments and contingencies (Note 12)
Subsequent Events (Note 13)

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

Approved by the Board of Directors and authorized for issue on May 29, 2018.

/s/ R. Michael Jones
Director

/s/ Kevin Falcon
Director

West Kirkland Mining Inc.
Condensed Consolidated Interim Statements of Loss and Comprehensive (Income) Loss
(Expressed in Canadian dollars)

		Three months ended March 31, 2018		Three months ended March 31, 2017
Expenses				
Management and consulting fees	**$**	**32,980**	$	40,100
Office and general		**21,029**		22,894
Filing and transfer agent fees		**19,193**		30,533
Salaries and benefits		**14,941**		28,436
Professional Fees		**14,632**		57,771
Shareholder relations		**6,430**		45,537
Travel		**1,573**		12,638
Share-based compensation expense		**97**		236,506
Depreciation		**1,984**		1,984
Loss before finance and other income		**112,859**		480,005
Finance and Other Income				
Interest income		**(285)**		(1,963)
Net loss	**$**	**112,574**	$	478,042
Item that may be subsequently reclassified to net loss				
Exchange differences on translating foreign operations		**(1,090,091)**		371,812
Comprehensive (income) loss for the period	**$**	**(977,517)**	$	849,854
Loss attributable to:				
Shareholders of West Kirkland Mining	**$**	**112,532**		478,042
Non-controlling interest		**42**		-
Net Loss	**$**	**112,574**	$	478,042
Comprehensive (income) loss attributable to:				
Shareholders of West Kirkland Mining	**$**	**(974,007)**	$	849,854
Non-controlling interest		**(3,510)**		-
Comprehensive Loss	**$**	**(977,517)**	$	849,854
Basic and diluted loss per share	**$**	**0.00**	$	0.00
Weighted average number of common shares outstanding:				
Basic and diluted		**350,080,602**		325,135,259

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

West Kirkland Mining Inc.

Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

	Share Capital								
	Number	**Amount**	**Warrant Reserve**	**Share Based Payment Reserve**	**Foreign Currency Translation Reserve**	**Deficit**	**Attributable to the Shareholders of the Parent Company**	**Non-Controlling Interest**	**Total**
Balance at December 31, 2016	**324,634,169**	**$ 51,805,935**	**$ 4,418,817**	**$ 882,870**	**$ 7,340,613**	**$ (23,909,618)**	**$ 40,538,617**	**$ -**	**$ 40,538,617**
Share issuance – water rights (Note 7)	1,454,788	130,930	-	-	-	-	130,930	-	130,930
Share based compensation expense	-	-	-	260,941	-	-	260,941	-	260,941
Expired stock options	-	-	-	(43,850)	-	43,850	-	-	-
Contributions for project costs	-	-	-	-	-	-	-	283,433	283,433
Other comprehensive income	-	-	-	-	(371,812)	-	(371,812)	-	(371,812)
Net loss	-	-	-	-	-	(478,042)	(478,042)	-	(478,042)
Balance March 31, 2017	326,088,947	51,936,865	4,418,817	1,099,961	6,968,801	(24,343,810)	40,080,634	283,433	40,364,067
Share issuance – financing (Note 7)	19,300,000	1,447,500	-	-	-	-	1,447,500	-	1,447,500
Share issuance - cost	-	(18,387)	-	-	-	-	(18,387)	-	(18,387)
Share based compensation expense	-	-	-	3,465	-	-	3,465	-	3,465
Cancelled or expired stock options	-	-	-	(28,916)	-	28,916	-	-	-
Contributions for project costs	-	-	-	-	-	-	-	375,321	375,321
Other comprehensive loss	-	-	-	-	(2,277,398)	-	(2,277,398)	(23,157)	(2,300,555)
Net loss	-	-	-	-	-	(551,354)	(551,354)	(166)	(551,520)
Balance December 31, 2017	**345,388,947**	**$ 53,365,978**	**$ 4,418,817**	**$ 1,074,510**	**$ 4,691,403**	**(24,886,248)**	**$ 38,684,460**	**$ 635,431**	**$ 39,319,891**
Share issuance – water rights (Note 7)	179,446	12,561	-	-	-	-	12,561	-	12,561
Share issuance – financing	22,900,000	1,374,000	-	-	-	-	1,374,000	-	1,374,000
Share issuance – cost	-	(35,272)	-	-	-	-	(35,272)	-	(35,272)
Share based compensation expense	-	-	-	97	-	-	97	-	97
Expired stock options	-	-	-	(73,933)	-	73,933	-	-	-
Contributions for project costs	-	-	-	-	-	-	-	40,251	40,251
Other comprehensive income	-	-	-	-	1,086,539	-	1,086,539	3,552	1,090,091
Net loss	-	-	-	-	-	(112,532)	(112,532)	(42)	(112,574)
Balance March 31, 2018	**368,468,393**	**$ 54,717,267**	**$ 4,418,817**	**$ 1,000,674**	**$ 5,777,942**	**$ (24,904,847)**	**$ 41,009,853**	**$ 679,191**	**$ 41,689,045**

The accompanying notes are an integral part of these consolidated financial statements

West Kirkland Mining Inc.
Consolidated Statements of Cash flows
(Expressed in Canadian dollars)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Cash flows provided by (used in):		
Operating activities		
Net loss	**$ (112,574)**	$ (478,042)
Items not involving cash:		
Share-based compensation expense	**97**	236,506
Depreciation	**1,984**	1,984
Changes in non-cash working capital:		
Accounts receivable	**(6,280)**	6,293
Prepaid expenses and other	**(1,757)**	(2,882)
Accounts payable and accrued liabilities	**2,477**	(4,647)
Net cash used in operating activities	**(116,053)**	(240,788)
Investing activities		
Expenditures on mineral properties (Note 6)	**(446,374)**	(492,257)
Net cash used in investing activities	**(446,374)**	(492,257)
Financing Activities		
Issuance of share capital	**1,374,000**	-
Share issuance costs	**(35,272)**	-
Cash contributions from non-controlling interest	**43,641**	-
Net cash received from financing activities	**1,382,399**	-
Increase (Decrease) in cash	**819,972**	(733,045)
Effect of exchange rate changes on cash denominated in a foreign currency	**1,334**	6,524
Cash, beginning of year	**228,492**	1,021,407
Cash, end of period	**$ 1,049,798**	$ 294,886
Supplemental disclosure of cash flow information		
Non-cash investing and financing activities:		
Depreciation capitalized to mineral properties	**$ 1,735**	$ 2,559
Share-based compensation capitalized to mineral properties	**-**	24,435
Increase in trade and other payables related to mineral properties	**2,216**	85,360

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

1. Nature of Operations and Continuance of Operations

West Kirkland Mining Inc. ("West Kirkland" or the "Company") was incorporated on April 3, 2007, under the Company Act of the Province of British Columbia, Canada. The Company was a capital pool corporation, and on May 28, 2010, completed its Qualifying Transaction as that term is defined in TSX Venture Exchange Policy 2.4. These consolidated financial statements reflect the financial position, financial performance and cash flows of the Company's legal subsidiaries, WK Mining Corp., WK Mining (USA) Ltd and WK-Allied Hasbrouck LLC. The address of the Company's head office is Suite 788 – 550 Burrard Street, Vancouver, BC, V6C 2B5.

The Company is an exploration and development company working on mineral properties it has staked or acquired in Nevada. At the Hasbrouck Project, an updated pre-feasibility study and declaration of reserves was completed in September 2016. The Company defers all acquisition, exploration and development costs related to the properties on which it is conducting exploration. The recoverability of these amounts is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary permitting and financing to complete the development of the interests, and future profitable production, or alternatively, upon the Company's ability to dispose of its interests on a profitable basis.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Since inception to March 31, 2018 the Company has incurred cumulative losses of approximately $24.9 million, which may cast significant doubt regarding the Company's ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts on the statements of financial position. External financing, predominantly by the issuance of equity to the public, will be sought to finance the operations of the Company; however, there is no certainty that such funds will be available at terms acceptable to the Company. These material uncertainties could cast significant doubt upon the Company's ability to continue as a going concern.

2. Statement of Compliance and Basis of Presentation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with IFRS. These condensed consolidated interim financial statements follow the same accounting policies and methods of application as our most recent annual financial statements. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted and these unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2017.

These condensed consolidated financial statements have been prepared on a going concern basis under the historical cost method. All figures are expressed in Canadian dollars unless otherwise indicated.

3. Recent Accounting Pronouncements

These interim financial statements have been prepared using accounting policies consistent with those used in the year end financial statements of December 31, 2017, except for the two standards outlined below:

i) IFRS 9 Financial Instruments

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of January 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application.

The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

Classification
The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and the debt's contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on January 1, 2018.

Measurement
Financial assets and liabilities at amortized cost. Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Financial assets and liabilities at FVTPL. Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of comprehensive loss in the period in which they arise.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit losses. The Company shall recognize in the consolidated statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition of Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of comprehensive loss.

ii) IFRS 15 Revenue from Contracts with Customers
The final standard on revenue from contracts with customers was issued on May 8, 2014 and is effective annual reporting periods beginning on or after January 1, 2018. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of goods to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods. The Company adopted this standard as of January 1, 2018 and it had no impact on the consolidated financial statements.

(Expressed in Canadian dollars)

Standards Not Yet Adopted

IFRS 16 Leases. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract based on whether the customer controls the asset being leased. IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current financial lease accounting, with limited exceptions for short-term leases or leases of low value assets. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that apply IFRS 15. The Company is still in the process of assessing the impact, if any, on the financial statements of the new standard.

4. Reclamation Bonds

The Company's US subsidiary, WK Mining (USA) Ltd. ("WK Mining (USA)"), has posted a total statewide bond of $194,447 (US$155,000) to the Bureau of Land Management (the "BLM") in the state of Nevada for disturbance of ground required to complete exploration work on projects in Nevada under the jurisdiction of the BLM. During the previous year $132,632 (US$102,863) was transferred to WK-Allied Hasbrouck LLC for work done on the Hasbrouck Project as defined in the LLC agreement with a further $18,330 (US$14,216) transferred in the current period. The remaining bond of $48,895 (US$37,921) left in WK Mining (USA) is applicable to work done on any property in Nevada and the funds are held in the State of Nevada's reclamation performance bond pool.

WK Mining (USA) has also posted a statewide bond of $64,470 (US$50,000) to the Division of Oil, Gas and Mining of Utah ("DOGM") for disturbance of ground required to complete exploration work on the TUG Project. This is applicable to work done on any property in Utah under the jurisdiction of the BLM or DOGM. The funds are held in the State of Utah's reclamation performance bond pool. They are held in an interest-bearing account and will be returned with interest when the projects are successfully reclaimed. Total interest of $479 (US$371) has been earned on this bond. All anticipated reclamation work at TUG was completed at period end. Subsequent to period end, $58,023 (US$45,000) was returned to the Company with the remaining statewide bond to be returned following the final inspection being completed by the DOGM and the BLM (usually following multiple growing seasons).

5. Property and Equipment

The Company holds the following property and equipment at March 31, 2018:

Cost	**Field Equipment**	**Leasehold Improvements**	**Vehicles**	**Total**
Balance December 31, 2016	$ 104,684	$ 55,554	$108,161	$268,399
Foreign exchange movement	(6,238)	-	(7,105)	(13,343)
Balance December 31, 2017	**$ 98,446**	**$ 55,554**	**$101,056**	**$255,056**
Foreign exchange movement	2,468	-	2,811	5,279
Balance March 31, 2018	**$ 100,914**	**$ 55,554**	**$103,867**	**$260,335**
Accumulated Depreciation				
Balance December 31, 2016	$ 85,241	$ 26,886	$ 93,191	$ 205,318
Additions	5,324	7,936	4,323	17,583
Foreign exchange movement	(4,990)	-	(6,091)	(11,081)
Balance December 31, 2017	**$ 85,575**	**$ 34,822**	**$ 91,423**	**$ 211,820**
Additions	958	1,984	777	3,719
Foreign exchange movement	2,123	-	2,530	4,653
Balance March 31, 2018	**$ 88,656**	**$ 36,806**	**$ 94,730**	**$ 220,192**
Carrying amount, March 31, 2018	**$ 12,258**	**$ 18,748**	**$ 9,137**	**$ 40,143**
Carrying amount, December 31, 2017	$ 12,871	$ 20,732	$ 9,633	$ 43,236

During the periods ended March 31, 2018 and 2017, the Company capitalized depreciation of $1,735 and $2,559 respectively to mineral properties.

(Expressed in Canadian dollars)

6. Mineral Properties

The Company's flagship property is the 75% owned Hasbrouck & Three Hills properties (together the "Hasbrouck Project") which was purchased in April 2014. Per the purchase agreement and post a secondary purchase option, the Hasbrouck Project was placed into an LLC agreement in September 2016. All costs incurred at the Hasbrouck Project prior to September 2016 (including the acquisition) and all expenditures on 100% owned Company lands in the vicinity of Hasbrouck and Three Hills which are held outside of the LLC (including the 100% owned royalty on the Hasbrouck Project) are presented separately in the table below. Further details on all properties can be found following the below table showing expenditures in the LLC, non-LLC expenditures and TUG:

	Hasbrouck & Three Hills LLC	Hasbrouck & Three Hills Non LLC	TUG	Total
Acquisition costs of mineral rights				
Balance December 31, 2017	$ 410,131	$ 29,583,004	$ -	$ 29,993,135
Incurred during the year	12,894	-	-	12,894
Foreign exchange movement	11,410	822,995	-	834,405
Balance March 31, 2018	$ 434,435	$ 30,405,999	$ -	$ 30,840,434
Deferred exploration costs				
Balance December 31, 2017	$ 1,986,675	$ 6,928,117	$ -	$ 8,914,792
Engineering	-	2,055	-	2,055
Permitting	44,020	8,022	-	52,042
Drilling – non-exploration	7,486	8,252	-	15,378
Drilling – exploration	3,132	296,644	-	299,776
Salaries and Wages	69,260	-	-	69,260
Land holding costs	3,947	-	-	3,947
Other	1,934	3,024	-	4,958
Foreign exchange movement	55,269	192,738	-	248,007
Balance March 31, 2018	$ 2,171,723	$ 7,438,852	$ -	$ 9,610,575
Total March 31, 2018	**$ 2,606,158**	**$ 37,844,851**	**$ -**	**$ 40,451,009**
Acquisition costs of mineral rights				
Balance December 31, 2016	$ -	$ 27,457,851	$ 166,195	$ 27,624,046
Incurred during the period	133,397	143,357	51,172	327,926
Acquisition costs transferred	276,733	(276,733)	-	-
Acquisition of royalty[1]	-	4,440,405	(223,751)	4,216,654
Foreign exchange movement	-	(2,181,876)	6,384	(2,175,492)
Balance December 31, 2017	$ 410,130	$ 29,583,004	$ -	$ 29,993,134
Deferred exploration costs				
Balance December 31, 2016	$ 220,327	$ 7,444,518	$ 4,362,325	$ 12,027,170
Engineering	123,699	-	-	123,699
Permitting	779,939	-	-	779,939
Drilling – non-exploration	141,378	-	-	141,378
Drilling – exploration	125,945	86,046	-	211,991
Salaries and Wages	235,409	-	-	235,409
Land holding costs	226,901	-	-	226,901
Other	32,710	1,410	27,486	61,606
Disposal of TUG property[1]	-	-	(4,484,258)	(4,484,258)
Foreign exchange movement	(14,473)	(489,017)	94,447	(409,043)
Balance December 31, 2017	$ 1,871,835	$ 7,042,957	$ -	$ 8,914,792
Total December 31, 2017	**$ 2,281,965**	**$ 36,625,961**	**$ -**	**$ 38,907,926**

[1] TUG property exchanged for royalty on Hasbrouck Project, please see Note (c) below for further details.

(a) Hasbrouck and Three Hills LLC

On January 24, 2014, the Company signed a purchase agreement with Allied Nevada Gold Corp. (“ANV”) to acquire ANV’s Hasbrouck Project for consideration of up to US$30 million. The Company was required to pay an aggregate of US$20 million to acquire a 75% interest in the properties with a US$500,000 non-refundable cash deposit made upon execution of the letter agreement. The additional US$19.5 million was paid April 23, 2014 at which time the Company purchased a 75% interest in the properties.

On March 10, 2015, ANV announced that it had filed for Chapter 11 bankruptcy protection in the U.S. and was implementing a financial restructuring of its debt. On June 19, 2015, Waterton Precious Metals Fund (“Waterton”) acquired all of ANV’s exploration properties and related assets (excluding the Hycroft operation) for US$17.5 million. The bankruptcy of ANV and the subsequent acquisition of the 25% interest in the Hasbrouck Project by Waterton does not alter the Company’s legal rights or interests in the Hasbrouck Project.

As outlined in the purchase agreement, 100% title to the mineral rights underlying the Hasbrouck Project has been transferred into a Limited Liability Corporation (the “LLC”) for ownership and operating purposes. Effective September 1, 2016, the Company transferred a 25% interest in the LLC to Waterton and retained the remaining 75% interest after a formal operating agreement was executed during the year. Under the terms of the LLC agreement, Waterton is required to fund their 25% share of expenditures on the Hasbrouck Project incurred subsequent to September 1, 2016. To date, Waterton has been funding their share of expenditures. However, should Waterton choose not to fund their share of expenditures, their interest will be diluted according to a prescribed formula in the LLC agreement. At March 31, 2018 the Company has recorded in accounts receivable an amount of $87,842 (US$68,127) representing Waterton’s 25% share of LLC expenses billed from January 1 – March 31, 2018.

The transfer of rights into the LLC and the execution of a formal operating agreement has not altered or affected the existing royalty structure on the Hasbrouck Project, being approximately an aggregate 3.5% over the claims hosting the Hasbrouck Project’s proven and probable reserves. (More details in (b) and (c) below.)

(b) Non-LLC Properties and Royalties

The Company holds properties in the immediate area adjacent to the Hasbrouck Project. These properties are held to compliment the Hasbrouck Project and are not currently expected to become stand-alone future operations. These properties and royalties are held 100% by the Company and are not included in the LLC.

<u>1.1% Hasbrouck Royalty</u>
On May 9, 2017 the Company announced it had purchased an approximate 1.1% NSR royalty on the Hasbrouck Project, plus the rights to US$1.0 million in payments due upon commercial production at the Hasbrouck Project. Please see (c) below for further details of the transaction. This royalty is not held in the LLC and is 100% owned by the Company.

<u>Hill of Gold Property</u>
On November 29, 2016 the Company announced that it had signed a ten-year Mineral Lease and Option to Purchase Agreement (the “HOG Lease”) for a 100% interest in the Hill of Gold property near Tonopah, Nevada. The Hill of Gold property is located midway between the Three Hills and the Hasbrouck properties. The HOG Lease terms allow for mining, and involve annual lease payments as pre-payments on a 2% Net Smelter Return (“NSR”) royalty of US$25,000 for the first three years and thereafter US$30,000 per year, with the option of buying the mining claims and royalty for US$500,000 at any time during the lease term. The lease is for 25 mining claims on approximately 500 acres of unpatented land.

Tonopah Divide Property
On December 18, 2017 the Company announced it had entered into a lease agreement with the Tonopah Divide Mining Company ("TDMC") for a 100% working interest on mining patents and mineral claims located adjacent to the Hasbrouck property. In consideration for the 100% working interest in the property the Company must continue to make optional US$75,000 annual advance royalty payments to TDMC. Also, a US$100,000 annual work requirement from 2018 to 2022 increasing to US$200,000 per year from 2023 to 2028. TDMC is to receive an approximate 3% NSR royalty from any production from the property, less any underlying royalty payments and the advance royalties already paid.

(c) TUG

On May 9, 2017 the Company exchanged the Company's rights, title and interests in, and its obligations associated with the TUG property for an approximate 1.1% NSR royalty on the Hasbrouck project, plus the rights to US$1.0 million in payments due upon commercial production at Hasbrouck and the extinguishment of US$194,000 in existing land fees payable to Newmont. Newmont retained a 1.25% NSR royalty over the Hasbrouck project, which the Company has a right to purchase at any time for so long as Newmont continues to own the rights. The Company owns the approximate 1.1% NSR royalty for its own account, representing 31.4% of the existing 3.5% NSR royalties on the Hasbrouck Gold Project. The existing NSR royalties are over claims hosting the proven and probable reserves and have not been altered by way of this transaction. The NSR royalty plus the rights to US$1.0 million in payments upon commercial production are not held in the LLC and are 100% owned by the Company.

7. Share Capital

The authorized share capital consists of an unlimited number of common shares without par value. At March 31, 2018, the Company had 368,468,393 shares outstanding.

On March 13, 2018, the Company closed a non-brokered private placement of 22,900,000 shares at a price of $0.06 per share for gross proceeds of $1,374,000. Finders fees, legal and exchange fees of $35,273 were incurred.

On February 3, 2018 the Company issued 179,446 common shares (worth US$10,000) to Liberty Moly in consideration for leased water rights on the Hasbrouck Project.

On August 16, 2017, the Company closed a non-brokered private placement of 19,300,000 shares at a price $0.075 per share for gross proceeds of $1,447,500.

On February 28, 2017 the Company issued 1,454,778 common shares (worth US$100,000) to Liberty Moly in consideration for leased water rights on the Hasbrouck Project.

Warrant Reserve

In 2014, the Company issued 220,940,833 warrants. Each warrant is exercisable for one common share at a price of $0.30 at any time prior to April 17, 2019. The $4,418,817 fair value of these warrants was estimated using the relative fair value method using the share price on the date of issue of the shares and the warrant price from the first day of public trading.

Share based payment reserve

The Company established a stock option plan (the "Plan") on May 1, 2007, whereby options can be granted to directors, officers, employees and consultants at the discretion of the Board of Directors. The number of options that can be granted is limited to 10% of the total shares issued and outstanding.

The following table summarizes the Company's outstanding share options:

(Expressed in Canadian dollars)

Exercise Price	Number Outstanding at March 31, 2018	Weighted Average Remaining Contractual Life (Years)	Number Exercisable at March 31, 2018
$0.15	5,600,000	1.24	5,600,000
$0.11	3,700,000	3.77	3,700,000
$0.10	4,000,000	2.90	4,000,000
	13,300,000	2.44	13,300,000

The weighted average remaining contractual life of the options outstanding at March 31, 2018 is 2.44 years.

The following table summarizes the Company's share based payment reserve:

Balance December 31, 2016	**$**	**882,870**
Share-based compensation expense		264,406
Share options cancelled or expired		(72,766)
Balance December 31, 2017		**1,074,510**
Share-based compensation expense		97
Share options expired		(73,933)
Balance March 31, 2018	**$**	**1,000,673**

During the period, 500,000 stock options expired at a fair value of $73,933. The fair value of these options was transferred from share based payment reserve to deficit.

On January 4, 2017, 3,900,000 incentive stock options were granted to various officers and employees of the Company. Each option is exercisable at a price of $0.11 per share for a period of five years and vest immediately. The Company expensed $233,491 related to these options and capitalized $24,435 to mineral properties.

On January 23, 2017, the Company granted 200,000 options with 25% vesting immediately with the remaining unvested options vesting evenly at six, nine and 12 months after issue. Each option is exercisable at a price of $0.10 for a period of two years. The Company recognized a $97 expense during the period relating to these options.

The fair value of the options granted in 2017 was estimated using the Black-Scholes model with the following weighted average assumptions:

Expected life	4.85 years
Risk-free interest rate	1.03%
Expected volatility[1]	90%

[1]Expected volatility is based on the trading history of the Company and companies with a similar corporate structure and operating in similar regions as the Company. The Company's expected volatility is similar to this comparable peer group.

During the year ended December 31, 2017 a total of 900,000 share purchase options were cancelled at a fair value amount of $168,801. The fair value of these options was transferred from share based payment reserve to deficit.

As at March 31, 2018 the weighted average fair value per option outstanding was $0.07

Details of the weighted average exercise price of outstanding share options is as follows:

(Expressed in Canadian dollars)

	Number	Weighted average exercise price
Balance December 31, 2016	**10,600,000**	**$0.13**
Granted	4,100,000	$0.11
Cancelled	(900,000)	$0.15
December 31, 2017	**13,800,000**	**$0.13**
Cancelled	(500,000)	$0.22
March 31, 2018	**13,300,000**	**$0.12**

The weighted average exercise price for the outstanding and exercisable share purchase options at March 31, 2018 is $0.12.

8. Capital Risk Management

The Company's objectives in managing its liquidity and capital are to safeguard the Company's ability to continue as a going concern and to provide financial capacity to meet its strategic objectives. The capital structure of the Company consists of equity attributable to common shareholders, comprising of issued share capital, reserves and accumulated deficit.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt and acquire or dispose of mineral rights.

As at March 31, 2018, the Company does not have any long-term debt and is not subject to any externally imposed capital requirements.

9. Financial Risk Management

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks.

(a) Fair Value

As at March 31, 2018 the Company's financial instruments consist of cash, accounts receivable, reclamation bonds, accounts payable and accrued liabilities. The fair values of accounts receivable and accounts payable approximate their carrying values due to the short-term nature of these instruments and the fair value of the reclamation bonds approximates their fair value due to the fact they earn interest at rates approximating market rates.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to the short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

(c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The Company is exposed to credit risk through its cash, which is held in large Canadian financial institutions and accounts receivable. The Company believes this credit risk is insignificant.

(d) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of financial instruments or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company operates in Canada and the United States and is therefore exposed to foreign currency risk arising from transactions denominated in U.S. dollars. Certain amounts of the Company's accounts payable and accrued liabilities are denominated in U.S. dollars. A 10% change in the exchange rate between the Canadian and United States dollar would have an effect on the loss before income taxes as at March 31, 2018 of approximately $824. The Company monitors its net exposure to foreign currency fluctuations and adjusts its cash held in U.S. dollars accordingly. The following table lists the Canadian dollar equivalent of financial instruments and other current assets denominated in U.S. dollars as of March 31, 2018:

	March 31, 2018	December 31, 2017
Cash	$ 105,242	$ 201,026
Accounts receivable	87,843	89,622
Prepaid expenses and other	15,549	19,778
Reclamation bond	264,806	257,638
Accounts payable and accrued liabilities	68,680	94,624

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

10. Segmented Information

The Company currently operates in one segment, being the exploration of mineral properties in Nevada. The Company's executive and head office is located in Vancouver, British Columbia, Canada.

Details of the geographic location of assets, liabilities and net loss are as follows:

As at March 31, 2018	Canada	United States	Total
Current Assets	$ 959,589	$ 227,600	$ 1,187,189
Mineral Properties	-	40,451,009	40,451,009
Other Assets	18,747	286,202	304,949
Total Assets	978,336	40,964,811	41,943,147
Accounts Payable and accrued liabilities	116,266	68,680	184,946
Net loss	104,330	8,244	112,574

As at March 31, 2017	Canada	United States	Total
Current Assets	$ 307,461	$ 322,232	$ 629,693
Mineral Properties	-	39,923,401	39,923,401
Other Assets	26,683	304,580	331,263
Total Assets	334,144	40,550,213	40,884,357
Accounts Payable and accrued liabilities	123,608	331,751	455,359
Net loss	391,187	49,563	440,750

(Expressed in Canadian dollars)

11. Related Party Transactions

The Company paid remuneration for the following items with companies related by way of directors in common:

		3 months ended March 31, 2018		3 months ended March 31, 2017
General Administration	$	6,000	$	6,000
Accounting fees		12,000		12,000
Rent		6,300		6,300
Directors Fees		17,350		18,750
Total Related Party Transactions	$	41,650	$	43,050

For the period ended March 31, 2018 the Company accrued and paid $6,000 (March 31, 2017 - $6,000) for day-to-day administration, reception and secretarial services and $12,000 (March 31, 2017 - $12,000) for accounting services; and $6,300 (March 31, 2017 - $6,300) for rent to Platinum Group Metals Ltd., a company related by virtue of common directors and officers. Amounts payable at period end include an amount of $9,149 to Platinum Group Metals (March 31, 2017 - $28,488).

These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the parties.

12. Commitments and Contingencies

To acquire certain other mineral property interests or to continue to hold current properties in Nevada the Company must make optional acquisition and exploration expenditures in order to satisfy the terms of existing option agreements, failing which the rights to such mineral properties will revert to the property vendors. For details of the Company's mineral property acquisitions and optional expenditure commitments see Note 6. The Company has no other identified commitments or contingencies.

13. Subsequent Events

On April 12, 2018 the Company granted 7,125,000 stock options to officers, directors, employees and consultants of the Company in accordance with the Company Stock Option Plan