GOLDEN RIDGE RESOURCES LTD.

Unaudited Condensed Interim Financial Statements of

GOLDEN RIDGE RESOURCES LTD.

(An Exploration Stage Company)

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

GOLDEN RIDGE RESOURCES LTD.
(An Exploration Stage Company)
(Expressed in Canadian Dollars)
Three and Six Months December 31, 2017 and 2016

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GOLDEN RIDGE RESOURCES LTD

(An Exploration Stage Company)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (unaudited)

As at December 31, 2017 and June 30, 2017

Expressed in Canadian Dollars

	Note		December 31 2017		June 30 2017
ASSETS					
Current					
Cash		$	**3,369,076**	$	6,850
Receivables	6,17		**131,147**		11,730
Prepaids			**158,385**		3,057
Available-for-sale investments	7		**69,339**		-
			3,727,947		21,637
Non Current					
Equipment	8		**3,394**		-
Prepaid deposit			**3,057**		3,057
Reclamation bond	10		**10,000**		
Exploration and evaluation assets	9		**1,873,603**		283,874
		$	**5,618,001**	$	308,568
LIABILITIES					
Current					
Other liabilities	11		**333,333**		-
Trade and other payables	12	$	**93,996**	$	65,684
Loans payable	13		**8,345**		-
Due to related parties	17		**7,875**		-
			443,549		65,684
SHAREHOLDERS' EQUITY					
Share capital	14		**8,133,686**		1,756,925
Contributed surplus			**732,191**		-
Accumulated other comprehensive income			**19,339**		-
Accumulated deficit			**(3,710,764)**		(1,514,041)
			5,174,452		242,884
		$	**5,618,001**	$	308,568

Signed on behalf of the Board of Directors by:

"Larry Nagy"	Director	*"William Lindqvist"*	Director
Larry Nagy		William Lindqvist	

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

GOLDEN RIDGE RESOURCES LTD
(An Exploration Stage Company)
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS (unaudited)
For the three and six months ended December 31
Expressed in Canadian Dollars

		Three Months Ended December 31		Six Months Ended December 31	
	Note	**2017**	2016	**2017**	2016
Expenses					
Administrative and general	16,17	$ **508,411**	$ 1,644	$ **863,228**	$ 4,308
Depreciation		**186**	-	**186**	-
Listing cost expense	5	**1,120,173**	-	**1,120,173**	-
Share-based payments	15	**263,136**	-	**263,136**	-
Total expenses		**(1,891,906)**	(1,644)	**(2,246,723)**	(4,308)
Other income					
Gain on sale of available-for-sale investments	7	-	-	**50,000**	-
Net loss for the period		**(1,891,906)**	(1,644)	**(2,196,723)**	(4,308)
Other comprehensive loss					
Items that may be recycled through profit and loss:					
Fair value loss on available-for-sale investments	7	**16,557**	-	**19,339**	-
Loss and comprehensive loss for the period		**(1,875,349)**	(1,644)	**(2,177,384)**	(4,308)
Basic and diluted loss per share	19	$ **(0.03)**	$ (0.00)	$ **(0.05)**	$ (0.00)

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

GOLDEN RIDGE RESOURCES LTD

(An Exploration Stage Company)

CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

For the three months ended September 30

Expressed in Canadian Dollars

		Common Shares	Accumulated Deficit	Total
Balance at June 30, 2016		$ 1,551,730	$ (1,459,832)	91,897
Net loss for the period		-	(4,308)	(4,308)
Shares issued for cash	10	207,068	-	207,068
Share issue costs		(1,873)	-	(1,873)
Balance at December 31, 2016		$ 1,756,925	$ (1,464,140)	292,785

		Common Shares	Contributed Surplus	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
Balance at June 30, 2017	Note	$ 1,756,925	$ -	-	$ (1,514,041)	$ 242,884
Net loss for the period		**-**	**-**	**-**	**(2,196,723)**	**(2,196,723)**
Fair value of common share issued for the Acquistion	5	**889,699**	**-**	**-**	**-**	**889,699**
Fair value of options and warrants issued on the Acquisiti	5		**219,237**			**219,237**
Private placement	14	**4,108,063**	**-**	**-**	**-**	**4,108,063**
Private placement	14	**1,137,551**	**-**	**-**	**-**	**1,137,551**
Private placement	14	**1,500,000**	**-**	**-**	**-**	**1,500,000**
Deemed price premium on flow-through shares	11,14	**(333,000)**	**-**	**-**	**-**	**(333,000)**
Exercise of warrants	14	**89,375**	**-**	**-**	**-**	**89,375**
Share issue costs		**(1,014,926)**	**-**	**-**	**-**	**(1,014,926)**
Share-based payments	15		**263,136**			**263,136**
Fair value of agents warrants	14		**249,818**			**249,818**
Available-for-sale investment	7			**19,339**	**-**	**19,339**
Balance at December 31, 2017		**$ 8,133,686**	**$ 732,191**	**19,339**	**$ (3,710,764)**	**$ 5,174,452**

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

GOLDEN RIDGE RESOURCES LTD

(An Exploration Stage Company)

CONDENSED INTERIM STATEMENTS OF CASH FLOWS (unaudited)

For the six months ended December 31

Expressed in Canadian Dollars

	Note		2017		2016
OPERATING ACTIVITIES					
Net loss for the period		$	**(2,196,723)**	$	(4,308)
Items not affecting cash					
Depreciation			**186**		
Gain on the sale of exploration and evaluation assets	9		**(50,000)**		-
Listing cost expense	5		**1,120,173**		
Share-based payments	15		**263,136**		
Transaction adjustment			**0**		
Changes in non-cash working capital balances:					
Receivables			**(119,417)**		(7,468)
Loans and related party payables			**16,220**		
Prepaids			**(155,328)**		-
Trade and other payables			**28,312**		3,130
Cash used in operating activities			**(1,093,442)**		(8,646)
Cash flows from investing activities					
Reclamation bond			**10,000**		
Equipment			**(3,394)**		-
Exploration and evaluation asset expenditures	9		**(1,589,729)**		(186,947)
Total cash used in investing activities			**(1,583,123)**		(186,947)
Cash Flows from Financing Activities					
Shares issued for private placement	14		**6,834,988**		207,068
Share issue costs			**(796,198)**		(1,873)
Total cash inflow provided by financing activities			**6,038,790**		205,195
Decrease in cash during the period			**3,362,226**		9,602
Cash beginning of period			**6,850**		10,298
Cash end of period		$	**3,369,076**	$	19,900

Supplemental cash flow information – Note 20

1. CORPORATION INFORMATION

Golden Ridge Resources Ltd. (formerly 88 Capital Corp.) (the "Company") was incorporated under the Business Corporations Act in British Columbia on January 27, 2011. On April 23, 2012, the Company completed a mineral property option transaction as its Qualifying Transaction and became a Tier 2 issuer listed on the TSX Venture Exchange (“TSXV”) with shares trading under the symbol "EEC".

The Company’s corporate office and principal place of business is located at 206 -3500 Carrington Road, West Kelowna, BC V4T 3C1. On October 18, 2017 the 88 Capital completed an RTO transaction with 0897043 BC Ltd. (formerly Golden Ridge Resources Ltd.) as described in Note 5, wherein 0897043 BC Ltd. became a wholly owned subsidiary of Golden Ridge Resources Ltd. Additionally 88 Capital Corp. changed its name to Golden Ridge Resources Ltd and trades on the TSX Venture Exchange under the symbol GLDN.

The Company is primarily engaged in the acquisition, exploration and development of mineral properties located in Canada. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The Company’s current properties include mineral properties located in British Columbia and the Yukon.

2. BASIS OF PREPARATION AND GOING CONCERN

These condensed interim financial statements for the three and six month period ended December 31, 2017 and 2016 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company’s 2016 annual financial statements which have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The accounting policies and methods of computation applied by the Company in these condensed interim financial statements are the same as those applied in the Company’s annual financial statements for the year ended June 30, 2017.

The condensed interim financial statements were authorized for issue by the Board of Directors on February 28, 2018

These condensed interim financial statements have been prepared on the historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The financial statements are presented in Canadian dollars (“CDN”), which is also the Company’s functional currency.

The preparation of the condensed interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Continued Operations

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company has not generated revenues from its operations to date. The Company currently has sufficient cash resources and working capital for the next 12 months and has working capital of $3,284,398 (June 30, 2017 - $44,047 working capital deficiency). The Company will continue to have to raise funds beyond its current working capital balance in order to continue the development of its exploration properties and general operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company has financed its operations to date primarily through the issuance of common shares and exercise of stock options and share purchase warrants.

Basis of Consolidation

These consolidated financial statements include the accounts of:

	% of ownership	Jurisdiction	Principal Activity
0897043 BC Ltd.	100	British Columbia	Exploration and Development

A subsidiary is an entity that the Company controls, either directly or indirectly, where control is defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All inter-company transactions and balances including unrealized income and expenses arising from intercompany transactions are eliminated in preparing consolidated financial statements.

Recent and Future Accounting Pronouncements

The standards listed below include only those which the Company reasonably expects may be applicable to the Company at a future date. The Company is currently assessing the impact of the standards on the financial statements.

IFRS 9 *Financial Instruments*

IFRS 9 will replace IAS 39 *Financial Instruments: Recognition and Measurement* and IFRIC 9 *Reassessment of Embedded Derivatives*. The final version of this new standard supersedes the requirements of earlier versions of IFRS 9.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

- *Classification and measurement of financial assets:*
  Debt instruments are classified and measured on the basis of the entity's business model for managing the asset and its contractual cash flow characteristics as either: "amortized cost", "fair value through other comprehensive income", or "fair value through profit or loss" (default). Equity instruments are classified and measured as "fair value through profit or loss" unless upon initial recognition elected to be classified as "fair value through other comprehensive income".

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Recent and Future Accounting Pronouncements (cont'd)

- *Classification and measurement of financial liabilities:*
  When an entity elects to measure a financial liability at fair value, gains or losses due to changes in the entity's own credit risk is recognized in other comprehensive income (as opposed to previously profit or loss). This change may be adopted early in isolation of the remainder of IFRS 9.

- *Impairment of financial assets:*
  An expected credit loss impairment model replaced the incurred loss model and is applied to financial assets at "amortized cost" or "fair value through other comprehensive income", lease receivables, contract assets or loan commitments and financial guarantee contracts. An entity recognizes twelve-month expected credit losses if the credit risk of a financial instrument has not increased significantly since initial recognition and lifetime expected credit losses otherwise.

- *Hedge accounting:*
  Hedge accounting remains a choice, however, is now available for a broader range of hedging strategies. Voluntary termination of a hedging relationship is no longer permitted. Effectiveness testing now needs to be performed prospectively only. Entities may elect to continue to applying IAS 39 hedge accounting on adoption of IFRS 9 (until the IASB has completed its separate project on the accounting for open portfolios and macro hedging).

- *Derecognition:*
  The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

This standard is applicable to annual periods beginning on or after July 1, 2018.

IFRS 16 Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 *Leases*.

This standard is applicable to annual periods beginning on or after July 1, 2018.

Applicable to annual periods beginning on or after July 1, 2017.

- *Disclosure Initiative (Amendments to IAS 7 Statement of Cash Flows)*
  The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Significant Accounting Judgements, Estimates and Assumptions

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized in the period of the change, if the change affects that period only, or in the period of the change and future years, if the change affects both.

Information about critical judgments and estimates in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities included in the preparation of these financial statements are discussed below:

Going Concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgement based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of Exploration and Evaluation Assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit or group of cash-generating unit's level in the year the new information becomes available. Such impairment tests and recoverable value models have a degree of estimation and judgment which may differ in the future.

5 ACQUISITION

On July 18, 2017 the Company, 88 Capital Corp. ("88 Capital") and the shareholders of the Company entered into a share purchase agreement (the "SPS") to acquire 100% of the issued and outstanding securities of the Company by means of reverse takeover in exchange for common shares of 88 Capital on a one-for-one basis (the "Transaction"). As such Golden Ridge is the continuing entity for accounting purposes. The Transaction does not meet the definition of a business combination under IFRS 3 Business Combinations, accordingly the Company accounted for the Transaction in accordance with IFRS 2 Share-based Payment. Pursuant to IFRS 2 Share-based Payment, where an estimated value of the 88 Capital common shares cannot be relied on, section B20 of IFRS 3 Business Combinations was used wherein the estimate is based on the number of Golden Ridge shares would have issued to 88 Capital to have had the same equity interest in Golden Ridge as combined entity.

On October 18, 2017 the parties completed the Transaction and the shareholders of the Company received 16,154,012 common shares of 88 Capital in exchange for all of the issued and outstanding shares of the Company. 88 Capital changed its name to Golden Ridge Resources Ltd. and the shares began trading on the Exchange on October 19, 2017 under the symbol "GLDN". The transaction constituted a reverse take-over of 88 Capital by the Company.

(Expressed in Canadian Dollars)

5. ACQUISITION (cont'd)

The fair value of the net assets of 0897043 BC Ltd are estimated as follow:

Fair Value of 8,896,985 Golden Ridge Shares issued	$	889,699
Fair value of 106,000 stock options issued		13,906
Fair value of 4,693,750 warrants issued		205,331
Total Purchase Price	$	1,108,936
Cash		(38)
Taxes recoverable and other receivables		19,667
Prepaid		39,907
Reclamation bond		10,000
Trade payables		(80,773)
Net assets assumed assets		(11,237)
Public listing costs expensed		1,120,173
	$	1,108,936

The total consideration of Golden Ridge has been estimated based on an estimated value of approximately $0.10 per common share. The public listing costs have been included in the deficit.

The assumptions used to value the 88 Capital outstanding options and warrants exchange for Golden Ridge options and warrants were was estimated using the Black-Scholes option pricing model based on the following weighted average:

Options - stock price of $0.14, an exercise price of $0.60 an expected life of 6.43 years, an interest rate without risk of 1.84%, no expected dividend yield and an estimated volatility of 167.77% dividend yield of nil, average expected life of the options of 1 .57 year and the fair value of the warrants of $0.04 which results in a fair value of $13.906 and a t; and

Warrants - stock price of $0.14, an exercise price of $0.25 and $.80 an expected life of 1.46 year an interest rate without risk of 1.46%, no expected dividend yield and an estimated volatility of 135.50% which results in fair value of $205,331.

6. RECEIVABLES

Sales tax receivable represents input tax credits arising from sales tax levied on the supply of goods purchased or services received in Canada.

		December 31 2017		June 30 2017
Sales taxes receivable	$	115,102	$	8,430
Rental deposit receivable		-		1,280
Other - Note 12		16,045		2,020
	$	131,147	$	11,730

(Expressed in Canadian Dollars)

7. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments consist of an investment in 5,556 Cobalt 27 Corp. shares ("Cobalt") pursuant to the grant of a net smelter return royalty (See Note 8). The fair value of the available-for-sale investments has been determined by reference to published price quotations in an active market, a Level 1 valuation. During the period ended December 31, 2017, the Company recorded $19,339 as an unrealized gain (December 31, 2016 - $Nil) on investment on marketable securities that was recognized in other comprehensive income and loss.

8. EQUIPMENT

		Furniture & Fixtures
Cost		
Balance at June 30, 2016	**$**	**2,843**
Assets acquired		**-**
Balance June 30, 2017	**$**	**2,843**
Assets acquired		**3,580**
Balance at December 31, 2017	**$**	**6,423**
Depreciation and impairment losses		
Balance at June 30, 2016	**$**	**2,419**
Depreciation for the period		**424**
Balance at June 30, 2017	**$**	**2,843**
Depreciation for the period		**186**
Balance at December 31, 2017	**$**	**3,029**
Carrying amounts		
Carrying value at June 30, 2017	**$**	**-**
Carrying value at December 31, 2017	**$**	**3,394**

9. EXPLORATION AND EVALUATION ASSETS

	Hank Property
Balance as at June 30, 2016	$92,351
Exploration Costs	
Assaying	8,115
Fieldwork	11,808
Geological	10,800
GIS Mapping	15,756
Camp/Site Costs	31,050
43-101 Report	4,320
IP Survey	43,400
Transport & Rental Equipment	60,624
Travel/Site	5,650
Total Expenditures	191,523
Balance as at June 30, 2017	$283,874

(Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS (cont'd)

Exploration Costs	
Assaying	**72,237**
Drilling	**565,524**
Fieldwork	**162,585**
Geological	**139,926**
GIS Mapping	**31,670**
Camp/Site Costs	**83,331**
IP Survey & Geophysics	**2,395**
Technical report	**4,200.00**
Transport & Rental Equipment	**470,535**
Travel/Site	**14,081**
Total Expenditures	**1,589,729**
Balance at December 31, 2017	**$1,873,603**

Hank Property, British Columbia

On June 25, 2014 (the "Effective Date") the Company and Lac Properties Inc. ("Lac") entered into an option agreement (the "Option") for the Company to acquire a 100% interest in the Hank property (the "Property"), located in the Liard district of British Columbia, subject to a 2% net smelter return ("NSR") to Lac. The terms of the Option include:

(a) incurring $100,000 in exploration expenditures as defined in the Option (the "Expenditures") 12 months following the Effective Date (hereafter called the "Expenditure Anniversary Date") (completed);

(b) incurring an additional $200,000 in Expenditures on or before the second Expenditure Anniversary Date (completed);

(c) incurring an additional $700,000 in Expenditures on or before the third Expenditure Anniversary Date (completed); and

(d) incurring an additional $1,000,000 in Expenditures on or before the fourth Expenditure Anniversary Date.

The Company as operator in accordance with the terms of the Option is entitled to record a 5% management fee (the "Management "Fee") on the Expenditures incurred. Pursuant to the Option, the Company may, on written notice to Lac, elect to have up to 25% of the Expenditures required to have been spent by one of the deadlines set forth above deferred to the following Expenditure Period. The Company elected to defer the balance of year two Expenditures of approximately $13,258 to the second Expenditure Anniversary Date.

On June 16, 2016, the parties amended the Option to extend the Expenditure Anniversary Date to November 25, 2016.

Lac has certain back-in rights to earn 51% of the Property by repaying the Company all of its expenditures on the Property and cancelling the 2% NSR. In the event Lac exercises the back-in right the companies will form a 51%/49% joint venture with Lac as the operator.

(Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS (cont'd)

NSR Agreement

On April 18, 2017 the Company entered into a NSR royalty agreement with Cobalt 27 Capital Corp. ("Cobalt 27") wherein the Company has granted a 2% NSR on certain mineral claims known as the North Canol BR Property and North Canol NS Property located in the Yukon. Consideration for the NSR is $50,000 (the "Royalty Purchase Price"). Cobalt 27 completed a public financing and satisfied the Royalty Purchase Price by the issuance from treasury to the Company, the number of common shares that are listed on the recognized stock exchange on which the common shares are posted for trading, at an issue price that is equal to the price of the common shares issued as part of the Public Financing (the "Consideration Shares"). The Consideration Shares were issued July 4, 2017.

10. RECLAMATION BOND

The Company is required to make reclamation deposits in respect of its expected rehabilitation obligations. The reclamation deposits represent collateral for possible reclamation activities necessary on mineral properties in connection with the permits required for exploration activities by the Company on its Hank Property. The reclamation deposits are held with the Minister of Energy and Mines in British Columbia ("MEM"). During the period ended December 31, 2017, the Company issued a refundable bond to the MEM amounting to $10,000.

11. OTHER LIABILITIES

On September 7, 2017 the Company completed a private placement for 7,583,673 flow-through common shares at a price of $0.15 per FT Share, for gross proceeds of $1,137,550. The Company determined that these shares were issued at a premium of $0.001 per share based on the share price of $0.14 on the date of issuance. The liability incurred on flow-through shares was of $333,000.

The Company completed a private placement in two tranches for an aggregate 7,500,000 flow-through common shares at a price of $0.20 per share for gross proceeds of $1,500,000. The Company determined that these shares were not issued at a premium based on the share price of $0.125 and $0.14 on the date of issuance. The liability incurred on flow-through shares was $nil.

12. TRADE AND OTHER PAYABLES

		December 31 2017		June 30 2017
Trade payables	$	**83,245**	$	40,948
Due to related parties - Note 17		**10,751**		24,736
Total	$	**93,996**	$	65,684

13. LOANS PAYABLE

As part of the Transaction the several advances previously received from related parties were assigned to an unrelated party. As at December 31, 2017, the loan payable balance is $8,345 (June 30, 2017 - $Nil). The amounts due are non-interest bearing, unsecured and have no specific terms of repayment.

(Expressed in Canadian Dollars)

14. SHARE CAPITAL AND RESERVES

a) Common Shares

The Company's authorized share capital is an unlimited number of common shares with no par value.

The following is a summary of changes in share capital from July 1, 2016 to December 31, 2017.

		Number	Issue Price	Total
Common shares of Golden Ridge at June 30, 2017	Note	8,896,988	-	$ 1,912,408
Common Shares of 0897043 at June 30, 2017		16,154,012		1,756,925
Fair value of common share issued for the Acquistion	5		-	889,699
Adjustment for the transaction				(1,912,408)
Private placement	14	32,864,500	$0.125	4,108,063
Private placement	14	7,583,673	$0.150	1,137,551
Private placement	14	7,500,000	$0.200	1,500,000
Deemed price premium on flow-through shares	11	-	-	(333,333)
Exercise of warrants	14	357,500	$0.250	89,375
Share issue costs		-	-	(1,014,593)
Balance at December 31, 2017		**73,356,673**		**$ 8,133,686**

Private Placement
In connection with the Transaction completed on October 18, 2017 the parties completed a non-brokered private placement for gross proceeds of $5,245,613 by issuing 32,864,500 units (each a "Unit"), at a price of $0.125 per Unit, for proceeds of $4,108,062; and 7,583,673 "flow-through" common shares (each a "FT Share"), at a price of $0.15 per FT Share, for gross proceeds of $1,137,550 on September 7, 2017. Each Unit consisted of one common share and one-half of one common share purchase warrant ("Warrant"), with each Warrant being exercisable to acquire one common share of the Company at a price of $0.25 until August 31, 2020.

Share issue costs include agent's fees of $348,450 in cash and the grant of 2,384,584 Agent's Warrant exercisable to acquire one common share at an exercise price of $0.25 in relation to the Units and FT Shares.

The fair value of the non-cash share issuance costs of $231,902 for the Agent's Warrants was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on issuance date of $0.14, exercise price of $0.25, risk-free interest rate of 1.46%, average projected volatility of 167.77%, dividend yield of nil, average expected life of the options of 1.46 years and the fair value of the warrants of $0.10.

On December 22, 2017 and December 29, 2017 the Company completed a private placement in two tranches for an aggregate 7,500,000 flow-through common shares at a price of $0.20 per share for gross proceeds of $1,500,000.

Share issue costs include the grant of 415,500 Agent's Warrant exercisable to acquire one common share at an exercise price of $0.25 in relation to the flow-through shares.

(Expressed in Canadian Dollars)

14. SHARE CAPITAL AND RESERVES (cont'd)

The fair value of the non-cash share issuance costs of $17,916 for the Agent's Warrants was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on issuance date of $0.13, exercise price of $0.25, risk-free interest rate of 1.64%, average projected volatility of 132.22%, dividend yield of nil, average expected life of the options of 1 year and the fair value of the warrants of $0.04.

During the period ended December 31, 2017 the Company issued an aggregate 357,500 common share pursuant the exercise of 330,000 common share purchase warrants and 27,500 agents warrants at an exercise price of $0.25 per share.

On August 17, 2016, the Company closed a non-brokered private placement which consisted of the issuance of 6,986,100 common shares at a price of $0.08 per share for gross proceeds of $558,888. Each unit consists of one common share and one-half of one share purchase warrant, with each warrant being exercisable to acquire one common share of the company at a price of $0.25 for a period of 36 months following the closing date of the placement. In connection with the private placement, the Company paid cash finders' fees of $12,320 and issued 154,000 finder warrants exercisable for a period of three years at a price of $0.25 for the purchase of one common share per warrant (see Note 8(d)).

On May 27, 2016, the Company issued 100,000 common shares of the Company with a fair value of $30,000 for mineral property costs (Note 5).

On April 11, 2016, the Company closed a non-brokered private placement of 500,000 common shares at a price of $0.20 per share for gross proceeds of $100,000.

b) Share Purchase Warrants

The following is a summary of changes in share purchase warrants from July 1, 2016 to December 31, 2017

	Number	Weighted Average Price
Balance, June 30, 2016	-	-
Granted	1,035,341	$0.25
Balance June 30, 2017	1,035,341	$0.25
Granted	21,017,644	$0.33
Expired	(92,344)	$12.60
Exercised	(330,000)	$0.25
Balance December 31, 2017	21,630,641	$0.28

As at December 31, 2017 the following share purchase warrants were outstanding:

Number	Price Per Share	Expiry Date
1,035,341	$0.25	November-10-18
1,000,000	$0.80	May-20-19
3,163,050	$0.25	August-17-19
16,432,250	$0.25	August-31-19
21,630,641		

(Expressed in Canadian Dollars)

14. SHARE CAPITAL AND RESERVES (cont'd)

As at December 31 2017 21,630,641 (2016 – $Nil) share purchase warrants were outstanding and exercisable with a weighted average remaining contractual life of 1.61 years.

c) Agent Warrants

	Number	Weighted Average Price
Balance, June 30, 2016 and June 30, 2017	-	-
Granted	3,000,784	$0.58
Exercised	(27,500)	$0.25
Balance, December 31, 2017	**2,973,284**	**$0.26**

Number	Price Per Share	Expiry Date
46,700	$0.80	May-20-19
126,500	$0.25	August-17-19
2,384,584	$0.25	August-17-19
225,000	$0.25	December-22-18
190,500	$0.25	December-29-18
2,973,284		

As at December 31 2017 2,973,284 (2016 – $Nil) share purchase warrants were outstanding and exercisable with a weighted average remaining contractual life of 1.53 years.

As at December 31, 2017 1,989,942 (June 30, 2017 – Nil) common shares held in escrow in connection with the Transaction as described herein.

15. SHARE-BASED PAYMENTS

Option Plan Details

The Company adopted a stock option plan (the "Plan") to grant options to directors, senior officers, employees and consultants of the Company. The aggregate outstanding options are limited to 10% of the outstanding common shares. The option price under each option shall be not be less than the discounted market price as defined in the policies of the Exchange on the grant date. All options vest when granted unless otherwise specified by the Board of Directors.

				During the period ended December 31, 2017					
Grant Date	Expiry Date	Exercise Price	Opening Balance	Granted	Exercised	Expired	Closing Balance	Vested and Exercisable	Unvested
4-Jun-14	4-Jun-24	$0.600	-	106,000		(96,000)	10,000	10,000	-
18-Oct-17	18-Oct-20	$0.150	-	2,000,000	-		2,000,000	2,000,000	
			-	**2,106,000**	-	**(96,000)**	**2,010,000**	**2,010,000**	-
Weighted Average Exercise Price				**$0.17**	-	**$0.60**	**$0.15**	**$0.15**	-
Weighted Average Life remaining				**3.13**	-	-	**3.13**	**3.13**	-

(Expressed in Canadian Dollars)

15. SHARE-BASED PAYMENTS (cont'd)

The fair value of the non-cash share issuance costs of $263,136 for the grant of 2,000,000 options was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on issuance date of $0.14, exercise price of $0.15 risk-free interest rate of 1.70%, average projected volatility of 167.77%, dividend yield of nil, average expected life of the options of 5 years and the fair value of the warrants of $0.103

The fair value of the non-cash share issuance costs of $263,136 for the issuance of 88 Capital Ltd. prior 106,000 options (See note 5) was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on issuance date of $0.14, exercise price of $0.60 risk-free interest rate of 1.70%, average projected volatility of 167.77%, dividend yield of nil, average expected life of the options of 5 years and the fair value of the warrants of $0.103

16. ADMINISTRATIVE AND GENERAL EXPENSES

	Three Months Ended December 31		Six Months Edned December 31	
	2017	2016	2017	2016
Administrative and General Expenses:				
Accounting and legal	$ 340	$ -	$ **37,413**	$ 470
Consulting - Note 11	31,875	-	**81,263**	750
Conferences	16,382	-	**57,862**	-
Corporate development	71,850		**71,850**	
Office and administration fees	26,483	899	**39,700**	2,298
Investor relations, website development and marketing	337,271	-	**542,271**	-
Rent	971	745	**3,882**	-
Filing fees	5,272	-	**5,306**	45
Shareholder communcation	8,122		**8,122**	
Transfer agent fees	5,596	-	**6,273**	-
Travel	4,249	-	**9,286**	745
	$ **508,411**	$ 1,644	$ **863,228**	$ 4,308

17. RELATED PARTY TRANSACTIONS

a. Key Management Compensation

	December 31 2017	**December 31 2016**
Key management personnel compensation comprised :		
Administration and labour	**$ 12,668**	**$ 1,275**
Consulting fees	**81,263**	**750**
	$ 93,930	**$ 2,025**

(Expressed in Canadian Dollars)

17. RELATED PARTY TRANSACTIONS

i) Consulting fees of $22,500 (2016 – Nil were paid or accrued to Tank Enterprises.) a company controlled by Mike Blady, the President and CEO and director of the Company. Mr. Blady was appointed on October 18, 2017.

ii) Consulting fees of $30,000 (2016 – Nil were paid or accrued to 43983 Yukon Inc. ("43983 Yukon") a company controlled by Larry Nagy, the former President and CEO and director of the Company. Mr. Nagy resigned as President and CEO on October 17, 2017.

iii) Consulting fees of $28,763 (2016 - $750) were paid or accrued to Minco for services provided by the Chief Financial Officer;

iv) Administration fees of $12,666 (2016 - $1,250) were paid or accrued to Minco in relation to providing administrative and accounting employment services.

b. **Related Party Liabilities**

Amounts due to:	Service for:	December 31 2017	June 30 2017
Minco	Consulting & Administratior	$1,890	$16,025
43983 Yukon Inc.	Consulting Fees	-	5,363
Colorado Resources Ltd.	Rent & Administration	8,861	3,348
		$10,751	$24,736

Colorado Resources Ltd. has common officers and directors of the Company and expenses are incurred for shared administrative personnel. Amounts due to/from related parties are without interest or stated terms of repayment.

c. **Related Party Receivables**

Amounts due from:	Service for:	December 31 2017	June 30 2017
Damara	Rent & Expenses	$2,020	$2,020

Damara Gold Corp. has common officers and directors of the Company and expenses are incurred for shared office space and administrative personnel. Amounts due to/from related parties are without interest or stated terms of repayment.

(Expressed in Canadian Dollars)

18. INCOME TAXES

As at June 30, 2017, the Company has available losses that may be carried forward to apply against future years' income for income tax purposes. The approximate Canadian non-capital losses expire as follows:

Year of Expiry	Taxable Losses
2031	$ 31,000
2032	535,000
2033	131,000
2034	306,000
2035	18,000
2036	24,000
2037	54,000
Total	$ 1,099,000

The potential benefits of these carry-forward non-capital losses and deductible temporary differences has not been recognized in these financial statements as it is not considered probable that there will be sufficient future taxable profit to utilize the deferred tax assets.

19. LOSS PER SHARE

	December 31 2017	December 31 2016
Net loss attributable to ordinary shareholders	($2,196,723)	($4,308)
Weighted average number of common shares	46,857,737	14,567,241
Basic and diluted loss per share	($0.05)	($0.00)

20. SEGMENT REPORTING

The Company is organized into business units based on mineral properties and has one reportable operating segment, being that of acquisition and exploration and evaluation activities in Canada. The Company's non-current assets as at September 30, 2017 and June 30, 2017 are all in Canada.

21. SUPPLEMENTAL CASH FLOW INFORMATION

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statements of cash flows. During the three months ended December 31, 2017 and 2016 are the following transactions were excluded from the statements of cash flows:

i) A compensation charge of $231,902 (2016 - $Nil) associated with the grant of 2,384,584 (2016 – Nil) Agent Warrants was recorded as share issue costs at December 31, 2017 - see Note 14;

ii) A compensation charge of $17,916 (2016 - $Nil) associated with the grant of 415,500 (2016 – Nil) Agent Warrants was recorded as share issue costs at December 31, 2017 - see Note 14

19. COMMITMENTS AND CONTINGENCIES

On May 27, 2017 the Company entered into a five-year lease with Vintage Commercial Ltd. effective July 1, 2017 at an annual payable rent of $19,332 in the first year (ten months) and $23,201 effective July 1, 2018 until June 1, 2022.