PACTON GOLD INC.

(formerly Noka Resources Inc.)

Condensed Consolidated Interim Financial Statements

For the Six Months Ended May 31, 2018

(Expressed in Canadian Dollars)

PACTON GOLD INC.
(formerly Noka Resources Inc.)

May 31, 2018

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Condensed Consolidated Interim Financial Statements

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, 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 accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditor.

July 27, 2018

PACTON GOLD INC.
(formerly Noka Resources Inc.)
Condensed Consolidated Interim Statements of Financial Position
(Unaudited – Expressed in Canadian Dollars)

	May 31, 2018	November 30, 2017
Assets		
Current		
Cash	$ 4,196,166	$ 121,526
Receivables	165,835	97,772
Prepaid expenses	318,861	3,716
	4,680,862	223,014
Deposits (note 8(h))	457,615	-
Equipment (note 7)	4,624	4,315
Exploration and Evaluation Assets (note 8)	5,213,326	1,609,706
	$ 10,356,427	$ 1,837,035
Liabilities		
Current		
Accounts payable and accrued liabilities (notes 11 and 12)	$ 282,997	$ 1,217,268
Loan payable (note 9)	211,971	-
	494,968	1,217,268
Shareholders' Equity		
Capital Stock (note 11)	17,914,959	9,215,918
Share-based Payments Reserve (note 11)	2,631,127	495,161
Deficit	(12,202,103)	(9,091,312)
Non-controlling Interest	1,517,476	-
	9,861,459	619,767
	$ 10,356,427	$ 1,837,035

Going Concern (note 2)
Subsequent Events (note 15)

Approved on behalf of the Board:

"Richard Kusmirski" ……………………………… Director
Richard Kusmirski

"Dominic Verdejo" ……………………………… Director
Dominic Verdejo

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

PACTON GOLD INC.

(formerly Noka Resources Inc.)

Condensed Consolidated Interim Statements of Comprehensive Loss

For the Six Months Ended May 31,

(Unaudited – Expressed in Canadian Dollars)

	Three Months Ended		Six Months Ended	
	May 31, 2018	**May 31, 2017**	**May 31, 2018**	**May 31, 2017**
Expenses				
Amortization (note 7)	$ 254	$ 269	$ 470	$ 539
Consulting fees (note 12)	612,769	265,811	953,252	267,811
Management fees (recovery) (note 12)	100,500	(9,750)	100,500	(2,250)
Office and miscellaneous	31,555	1,318	36,405	1,407
Professional fees (note 12)	93,501	13,703	125,022	21,388
Rent (note 12)	9,000	-	18,000	-
Share-based payments (note 11)	1,293,985	209,409	1,293,985	209,409
Shareholder communications and investor relations	247,778	1,885	250,683	2,447
Transfer agent and filing fees	22,341	12,240	38,061	28,963
	(2,411,683)	(494,885)	(2,816,378)	(529,714)
Other Items				
Impairment of exploration and evaluation assets (note 8)	(60,000)	-	(303,000)	-
Gain (loss) on settlement of accounts payable (note 11)	9,167	(7,857)	9,167	(7,857)
Part XII.6 tax (note 10)	-	-	(580)	-
Net Loss and Comprehensive Loss for the Period	$ (2,462,516)	$ (502,742)	$ (3,110,791)	$ (537,571)
Net Loss and Comprehensive Loss attributable to:				
Common shareholders	$ (2,462,516)	$ (502,742)	$ (3,110,791)	$ (537,571)
Non-controlling interest	-	-	-	-
	$ (2,462,516)	$ (502,742)	$ (3,110,791)	$ (537,571)
Basic and Diluted Loss Per Share	$ (0.04)	$ (0.01)	$ (0.05)	$ (0.01)
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	62,893,470	42,499,861	61,899,485	36,490,105

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

PACTON GOLD INC.

(formerly Noka Resources Inc.)
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited – Expressed in Canadian Dollars)

	Capital Stock										
	Number of Shares		Capital Stock		Share-based Payments Reserve		Deficit		Non-Controlling Interest		Total
Balance, November 30, 2016	**35,411,321**	**$**	**7,381,812**	**$**	**411,207**	**$**	**(7,562,535)**	**$**	**-**	**$**	**230,484**
Private placements	11,328,571		711,000		-		-		-		711,000
Share issue costs	28,000		(20,435)		-		-		-		(20,435)
Shares issued for exploration and evaluation assets	6,450,000		780,500		-		-		-		780,500
Shares issued for settlement of accounts payable and accrued liabilities	392,857		35,357		-		-		-		35,357
Exercise of stock options	958,000		95,800		-		-		-		95,800
Fair value of exercised stock options	-		68,936		**(68,936)**		-		-		-
Share-based payments (note 11)	-		-		**209,409**		-		-		209,409
Expiry of stock options	-		-		**(59,218)**		59,218		-		-
Net loss and comprehensive loss for period	-		-		-		(537,571)		-		(537,571)
Balance, May 31, 2017	**54,568,749**		**9,052,970**		**492,462**		**(8,040,888)**		**-**		**1,504,544**
Exercise of stock options	150,000		12,750		-		-		-		12,750
Fair value of exercised stock options	-		6,653		**(6,653)**		-		-		-
Exercise of warrants	599,920		123,350		-		-		-		123,350
Fair value of exercised warrants	-		20,195		**(20,195)**		-		-		-
Share-based payments (note 11)	-		-		**91,220**		-		-		91,220
Expiry and cancellation of stock options	-		-		**(61,673)**		61,673		-		-
Net loss and comprehensive loss for the period	-		-		-		(1,112,097)		-		(1,112,097)
Balance, November 30, 2017	**55,318,669**		**9,215,918**		**495,161**		**(9,091,312)**		**-**		**619,767**
Private placements	24,132,609		5,550,500		-		-		-		5,550,500
Share issue costs	-		(626,914)		**295,568**		-		-		(331,346)
Shares issued for exploration and evaluation assets	3,687,814		1,510,493		-		-		-		1,510,493
Shares issued for settlement of accounts payable and accrued liabilities	1,833,333		540,833		-		-		-		540,833
Exercise of stock options	2,519,000		289,400		-		-		-		289,400
Fair value of exercised stock options	-		156,842		**(156,842)**		-		-		-
Exercise of warrants	5,321,160		1,251,899		-		-		-		1,251,899
Fair value of exercised warrants	-		25,988		**(25,988)**		-		-		-
Share-based payments (note 11)	-		-		**2,023,228**		-		-		2,023,228
Acquisition of subsidiary	-		-		-		-		1,517,476		1,517,476
Net loss and comprehensive loss for period	-		-		-		(3,110,791)		-		(3,110,791)
Balance, May 31, 2018	**92,812,585**	**$**	**17,914,959**	**$**	**2,631,127**	**$**	**(12,202,103)**	**$**	**1,517,476**	**$**	**9,861,459**

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

PACTON GOLD INC.
(formerly Noka Resources Inc.)
Condensed Consolidated Interim Statements of Cash Flows
For the Six Months Ended May 31,
(Unaudited – Expressed in Canadian Dollars)

	2018	2017
Operating Activities		
Net loss	$ (3,110,791)	$ (537,571)
Items not involving cash		
Amortization	470	539
Share-based payments	1,374,922	209,409
Impairment of exploration and evaluation assets	303,000	-
Loss (gain) on settlement of accounts payable	(9,167)	7,857
Changes in non-cash working capital		
Receivables	(68,063)	(43,898)
Prepaid expenses	(772,760)	(53,806)
Accounts payable and accrued liabilities	(15,524)	31,815
Cash Used in Operating Activities	(2,297,913)	(385,655)
Investing Activities		
Equipment	(779)	-
Exploration and evaluation assets, net	(387,121)	(295,210)
Cash Used in Investing Activities	(387,900)	(295,210)
Financing Activities		
Net proceeds from share issuances	6,760,453	786,365
Repayment of loans	-	(14,000)
Cash Provided by Financing Activities	6,760,453	772,365
Inflow of Cash	4,074,640	91,500
Cash, Beginning of Period	121,526	20,142
Cash, End of Period	$ 4,196,166	$ 111,642

Supplemental Disclosure with Respect to Cash Flows (note 13)

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

1. NATURE OF OPERATIONS

Pacton Gold Inc. (the “Company" or “Pacton”) was incorporated pursuant to the British Columbia *Business Corporations Act* on December 15, 2010. The address of the Company's corporate office and its principal place of business is 1680 – 200 Burrard Street, Vancouver, British Columbia, Canada, V6C 3L6. The Company's registered and records office is 400 – 725 Granville Street, Vancouver, British Columbia, Canada, V7Y 1G5. The Company operates in Canada and the USA. On July 17, 2012, the Company's stock was listed on the TSX Venture Exchange ("TSX-V") trading under the symbol "NX". On April 27, 2017, the Company changed its name to Pacton Gold Inc. and began trading under the symbol “PAC”. The Company’s shares also trade on the OTC Exchange in the United States under the symbol “PACXF” and on the Frankfurt Stock Exchange under the symbol “2NKN”. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired. The Company is an exploration stage company and is in the process of acquiring and exploring its mineral property interests.

2. GOING CONCERN

These condensed consolidated interim financial statements (the “financial statements”) have been prepared on the basis of accounting principles applicable to a going concern, which assumes that 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 operations.

The Company has incurred a loss during the six months ended May 31, 2018 of $3,110,791 (2017 - $537,571) and as at May 31, 2018 has a deficit of $12,202,103 (November 30, 2017 - $9,091,312), has limited resources, no sources of operating cash flow and no assurances that sufficient funding will be available to continue operations for an extended period of time. The Company is in the exploration stage, and accordingly, has not yet commenced revenue-producing operations. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company’s ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests, the attainment of profitable mining operations or the receipt of proceeds from the disposition of its mineral property interests. Management is actively engaged in the review and due diligence on opportunities of merit in the mining sector and is seeking to raise the necessary capital to meet its funding requirements. There can be no assurance that management’s plan will be successful.

If the going concern assumption were not appropriate for these financial statements then adjustments may be necessary in the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

3. BASIS OF PREPARATION

a) Statement of compliance

The condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

The condensed consolidated interim financial statements of the Company should be read in conjunction with the Company’s 2017 annual financial statements, which have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

3. BASIS OF PRESENTATION (Continued)

a) Statement of compliance (continued)

These financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on July 27, 2018.

b) Basis of measurement

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as available-for-sale and fair value through profit or loss ("FVTPL"). These financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

4. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in note 4 to the audited financial statements for the year ended November 30, 2017.

These financial statements include all subsidiaries in the accounts of the Company for the periods presented. These subsidiaries are listed as follows:

Subsidiary	Ownership	Incorporated	Nature
Pacton Pilbara Pty. Ltd.	100%	Australia	Mineral exploration
Arrow (Pilbara) Pty. Ltd.	51%	Australia	Mineral exploration

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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 prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

a) Impairment of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditures and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

b) Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

c) Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability, including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity that are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

d) Going concern

The assessment of the Company's ability to continue as a going concern requires significant judgment. The financial statements have been prepared on the basis of accounting principles applicable to a going concern, as disclosed in note 2.

(Unaudited – Expressed in Canadian Dollars)

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in material adjustments to the financial statements.

a) Decommissioning liabilities

Rehabilitation provisions have been created based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from year to year. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs that will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for. As at May 31, 2018, the Company has no known rehabilitation requirements, and accordingly, no provision has been made.

6. FINANCIAL INSTRUMENTS

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The Company classifies its financial instruments as follows: cash is classified as financial assets at FVTPL; receivables as loans and receivables; and accounts payable and accrued liabilities and loans payable as other financial liabilities, which are measured at amortized cost. The carrying values of these instruments approximate their fair values due to their short term to maturity.

The following table sets forth the Company's financial asset measured at fair value by level within the fair value hierarchy:

May 31, 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash	$ 4,196,166	$ -	$ -	$ 4,196,166

November 30, 2017	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash	$ 121,526	$ -	$ -	$ 121,526

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing it at major Canadian financial institutions. The Company has minimal credit risk.

6. FINANCIAL INSTRUMENTS (Continued)

b) 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's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of May 31, 2018 equal $494,968 (November 30, 2017 - $1,217,268). All of the liabilities presented as accounts payable and accrued liabilities are due within 30 days of May 31, 2018.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return on capital.

i) Currency risk – The Company has no funds held in a foreign currency, and as a result, is not exposed to significant currency risk on its financial instruments at period-end.

ii) Interest rate risk – Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. The Company has no interest-bearing financial liabilities.

iii) Other price risk – Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is not exposed to significant other price risk.

d) Capital management

The Company considers its capital to be comprised of shareholders' equity.

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. Although the Company has been successful at raising funds in the past through the issuance of capital stock, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company's approach to capital management during the six months ended May 31, 2018. The Company is not subject to externally imposed capital requirements.

(Unaudited – Expressed in Canadian Dollars)

7. EQUIPMENT

		Furniture and Equipment
Cost		
Balance, November 30, 2016 and 2017	**$**	**7,717**
Additions		779
Balance, May 31, 2018		**8,496**
Accumulated Amortization		
Balance, November 30, 2016	**$**	**2,323**
Amortization		1,079
Balance, November 30, 2017		**3,402**
Amortization		470
Balance, May 31, 2018	**$**	**3,872**
Net Book Value, November 30, 2017	**$**	**4,315**
Net Book Value, May 31, 2018	**$**	**4,624**

8. EXPLORATION AND EVALUATION ASSETS

a) Tully West Gold Property

On January 16, 2017, the Company entered into an option agreement to earn a 100% interest in the Tully West Gold Property, located in Ontario. On January 18, 2018, certain terms were amended. Under the terms of the amended agreement, the Company must make cash payments and issue common shares of the Company as follows:

- Issue 1,300,000 common shares of the Company (issued on January 25, 2017 and valued at $117,000) and pay $25,000 (paid) within five days of approval by the TSX-V, which was received January 25, 2017;
- Issue 1,300,000 common shares of the Company on or before January 25, 2018 (issued on January 25, 2018 and valued at $390,000);
- Pay $80,000 on or before February 15, 2018 (paid); and
- Issue 1,300,000 common shares of the Company and pay $110,000 (paid) on or before January 25, 2019 (issued subsequent to May 31, 2018).

The Company completed an equity financing for gross proceeds in excess of $1,000,000 (excluding flow-through proceeds), so the January 25, 2019 common share and cash payments were accelerated.

8. EXPLORATION AND EVALUATION ASSETS (Continued)

a) Tully West Gold Property (continued)

The Company must also incur exploration expenditures as follows:

- $250,000 on or before January 16, 2018 (incurred);
- An additional $500,000 on or before January 25, 2019; and
- An additional $500,000 on or before January 25, 2020.

The vendors retain a 2.5% net smelter return royalty (“NSR”), of which two-fifths (1%) can be repurchased by the Company for an aggregate $1,000,000.

b) Red Lake Project

On May 10, 2017, the Company entered into an option agreement to earn a 100% interest in 34 mineral claims and 2 mineral patents in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company was required to make cash payments and issue common shares of the Company as follows:

- Issue 1,200,000 common shares of the Company (issued and valued at $168,000) and pay $75,000 (paid) within five days of approval by the TSX-V, which was received on May 19, 2017;
- Issue 1,000,000 common shares of the Company and pay $75,000 on or before May 19, 2018;
- Issue 1,000,000 common shares of the Company and pay $75,000 on or before May 19, 2019; and
- Issue 1,000,000 common shares of the Company and pay $75,000 on or before May 19, 2020.

The vendor retained a NSR varying from 0.25% to 2.25%, of which one-half could be repurchased by the Company, at a rate of $250,000 per 0.25%.

On May 10, 2018, the Company provided notice of termination on the option agreement to the vendor. During the six months ended May 31, 2018, the Company recorded an impairment of exploration and evaluation assets of $243,000 as a result of the termination.

On May 23, 2017, the Company entered into an option agreement to earn a 100% interest in 14 mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company must make cash payments and issue common shares of the Company as follows:

- Issue 300,000 common shares of the Company (issued and valued at $42,000) and pay $16,000 (paid) within five days of approval by the TSX-V, which was received on May 26, 2017;
- Pay $12,000 on or before May 26, 2018 (paid);
- Pay $16,000 on or before May 26, 2019; and
- Pay $26,000 on or before May 26, 2020.

The claims are subject to an underlying 2% NSR.

8. EXPLORATION AND EVALUATION ASSETS (Continued)

b) Red Lake Project (continued)

On May 23, 2017, and as amended November 23, 2017 and June 14, 2018, the Company entered into an additional option agreement to earn a 100% interest in 30 additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company must make cash payments and issue common shares of the Company as follows:

- Issue 2,500,000 common shares of the Company within five days of approval by the TSX-V, which was received on May 26, 2017 (issued and valued at $350,000);
- Pay $20,000 on or before June 30, 2018;
- Pay $80,000 on or before January 31, 2019; and
- Pay $150,000 on or before May 26, 2019.

The vendors retain a 2.5% NSR, of which two-fifths (1%) can be repurchased by the Company for $1,500,000.

c) Birch Gold Project

On March 10, 2017, the Company entered into an option agreement to earn a 100% interest in the Birch Gold Property, located in Ontario. Under the terms of the agreement, the Company was required to make cash payments and issue common shares of the Company as follows:

- Issue 900,000 common shares of the Company within five days of approval by the TSX-V, which was received on March 22, 2017 (issued and valued at $81,000);
- Pay $75,000 by April 21, 2017 (paid);
- Issue 900,000 common shares of the Company and pay $75,000 on or before March 22, 2018;
- Issue 900,000 common shares of the Company and pay $75,000 on or before March 22, 2019;
- Issue 900,000 common shares of the Company and pay $75,000 on or before March 22, 2020; and
- Issue 900,000 common shares of the Company and pay $75,000 on or before March 22, 2021.

The Company was also required to incur exploration expenditures as follows:

- $150,000 on or before March 22, 2018;
- An additional $300,000 on or before March 22, 2019;
- An additional $350,000 on or before March 22, 2020; and
- An additional $500,000 on or before March 22, 2021.

The Property was subject to a 2% NSR.

On March 10, 2017, the Company entered into an option agreement to earn a 100% interest in the Uchi Gold Property, located in Ontario. Under the terms of the agreement, the Company was required to make cash payments and issue common shares of the Company as follows:

- Issue 250,000 common shares of the Company within five days of approval by the TSX-V, which was received on March 22, 2017 (issued and valued at $22,500);
- Pay $15,000 by April 21, 2017 (paid);
- Issue 250,000 common shares of the Company and pay $15,000 on or before March 22, 2018;
- Issue 250,000 common shares of the Company and pay $15,000 on or before March 22, 2019;
- Issue 250,000 common shares of the Company and pay $15,000 on or before March 22, 2020; and
- Issue 250,000 common shares of the Company and pay $15,000 on or before March 22, 2021.

8. EXPLORATION AND EVALUATION ASSETS (Continued)

c) Birch Gold Project (continued)

The vendor retained a 2.5% NSR, of which two-fifths (1%) could be repurchased by the Company for an aggregate $1,000,000 within 180 days of a public announcement of a positive feasibility study on the project.

The Company determined it would not make the option payments due March 22, 2018. An impairment charge of $211,820 was recognized in net loss for the year ended November 30, 2017.

d) Lincoln Property

On April 21, 2016, and as amended June 15, 2016, the Company entered into an option agreement to acquire a 100% interest in the Lincoln Property, a lithium project in Nevada. Consideration for the option is as follows:

- Issue 1,500,000 common shares to the optionor upon acceptance of the transaction by the TSX-V (issued on July 4, 2016 and valued at $195,000); and
- Cash payment of $50,000 within five days of acceptance by the TSX-V (paid).

At November 30, 2016, the Company determined that the value of the property was impaired. The property was written down to $100,000. On January 1, 2017, and as amended on July 11, 2017 and March 14, 2018, the Company reached an agreement to sell the property for $100,000. The sale price was amended to $40,000 on May 29, 2018 and payment was received.

e) Duxbury Property

On June 28, 2016, and as amended March 10, 2017, the Company entered into an option agreement to acquire a 100% interest in the Duxbury Property, a lithium project in Quebec. Consideration for the option was the issuance of 1,000,000 common shares to the optionor within five days of acceptance of the transaction by the TSX-V (issued on July 5, 2016 and valued at $130,000).

The vendor retains a 2% NSR, of which the Company may repurchase one-half (1%) for $1,000,000.

At November 30, 2017, the Company determined it would not continue exploration of the Duxbury Property. An impairment charge of $150,448 was recognized in net loss for the year ended November 30, 2017.

f) Carpenter Lake

On May 28, 2013, the Company entered into an agreement to acquire a 100% interest in 34 mineral claims located in the Athabasca Basin Region of northern Saskatchewan. Consideration for the acquisition was the issuance of 200,000 common shares (issued and valued at $380,000). The Company paid a finder's fee of 10,000 common shares (issued and valued at $19,000).

The property is subject to a 5% NSR. The NSR may be reduced to a minimum of 2% at the option of either the vendors or the Company in exchange for the issuance of 100,000 common shares for each percentage point bought back (the “Royalty Buyback").

8. EXPLORATION AND EVALUATION ASSETS (Continued)

f) Carpenter Lake (continued)

Pursuant to an amending agreement dated June 21, 2013, the Company agreed to file a National Instrument 43-101 Report on or before July 1, 2014 as a condition for approval from the TSX-V to exercise the Royalty Buyback. Failure to receive approval gives the vendors of the property the right to purchase the property for the sum of $200,000 commencing July 1, 2014 for a period of 180 days.

On January 13, 2014, the Company granted an option to Alpha Exploration Inc. (TSX-V: AEX) ("Alpha") to earn a 60% interest in the Company's Clearwater/Carpenter Lake Property. Under the terms of the agreement, Alpha must make cash and share payments as follows:

- Cash payment of $12,500 upon approval of the agreement by the TSX-V (received);
- Issuance of 100,000 common shares within 10 days of approval by the TSX-V (received and valued at $59,000);
- Cash payment of $12,500 and issuance of 100,000 common shares on the first anniversary of approval by the TSX-V:
- Cash payment of $12,500 and issuance of 100,000 common shares on the second anniversary of approval by the TSX-V; and
- Cash payment of $12,500 and issuance of 100,000 common shares on the third anniversary of approval by the TSX-V.

Alpha must also incur a total of $1,250,000 in exploration expenditures on the property as follows:

- $250,000 by the first anniversary of approval by the TSX-V;
- A further $250,000 by the second anniversary of approval by the TSX-V; and
- A further $750,000 by the third anniversary of approval by the TSX-V.

On November 6, 2014, Alpha provided the Company with its Notice of Exercise on the option to earn a 60% interest in the Clearwater/Carpenter Lake Property. The Company received the $37,500 in cash payments due from the first through third anniversaries and the 300,000 common shares (valued at $27,000). A joint venture was formed between Alpha (60%) and Pacton (40%) for the further development of the property, with Alpha serving as the operator.

Presently, the property is subject to a 2% NSR, which is owed to the original vendors (the "Underlying NSR"). The Underlying NSR rate was reduced from 5% to 2% by Pacton through the issuance of 300,000 common shares of the Company on October 27, 2014 (valued at $90,000).

At November 30, 2016, the Company determined that the value of the property was impaired due to a lack of recent exploration work by Alpha (now ALX). The property was written down to $226,000, which is based on the Company's estimated percentage of the property . Management intends to further explore the property either on its own or in partnership with ALX.

g) Corning Creek

On April 20, 2011, and as amended December 31, 2011, the Company entered into an option agreement to acquire a 100% interest in the mineral claims comprising the Corning Creek Property, except for mineral claim 831925, subject to a 2% NSR. Consideration for the option was as follows:

- Cash payment of $35,000 (paid) within 10 days of the Company's shares being listed on the TSX-V (July 17, 2012); and
- Issue 20,000 common shares (issued and valued at $40,000).

8. EXPLORATION AND EVALUATION ASSETS (Continued)

g) Corning Creek (continued)

The Company had the sole and exclusive option to purchase the NSR at a purchase price of $1,000,000 for each percentage point bought back during the five-year period commencing from the date upon which the property is put into commercial production.

On June 29, 2011, the Company entered into an option agreement to earn a 100% interest in mineral claim 831925, which forms part of the Corning Creek Property. Consideration for the option was a cash payment of $5,000 (paid) within 10 days of the Company's shares being listed on the TSX-V.

The option agreement was subject to a 3% NSR. The Company could acquire the first 2% of the NSR by paying $500,000 for each percentage point bought back. The final 1% could be purchased, for a negotiated amount, after commercial production commences.

During the year ended November 30, 2014, the Corning Creek Property was deemed to be impaired and written down to $1. During the year ended November 30, 2017, the Corning Creek Property was written down to $nil.

h) Pilbara Project

CTTR Gold Pty. Ltd. ("CTTR")

On March 28, 2018, the Company entered into a share purchase agreement to acquire 100% of the issued and outstanding shares of CTTR, an Australian proprietary limited company. CTTR holds applications to nine tenement licenses for a mineral property group in the Pilbara Region of Western Australia.

Under the terms of the share purchase agreement, the Company can acquire 100% of the issued and outstanding shares of CTTR by:

- Paying a $25,000 non-refundable deposit (paid);
- Paying $75,000 (paid) and issuing 916,666 common shares (issued and valued at $238,333) of the Company and 458,333 share purchase warrants (issued and valued at $64,545), each warrant exercisable into one additional common share of the Company for a period of 18 months from the date of issue at a price of $0.45, upon acceptance of the transaction by the TSX-V (issued on March 29, 2018); and
- Paying $50,000 and issuing 416,666 common shares of the Company and 208,333 share purchase warrants, each warrant exercisable into one additional common share of the Company for a period of 18 months from the date of issue at a price to be determined at the date of grant, upon the grant of at least six exploration licenses.

8. EXPLORATION AND EVALUATION ASSETS (Continued)

h) Pilbara Project (continued)

Arrow (Pilbara) Pty. Ltd. ("Arrow Pilbara")

On May 11, 2018, the Company entered into a share purchase and option agreement whereby the Company can earn up to an 80% interest in Arrow Pilbara, an Australian proprietary limited exploration company. Arrow Pilbara holds two granted tenement licenses and two applications for licenses in the Pilbara Region of Western Australia. Under the terms of the agreement, the Company was required to make cash payments and issue common shares and common share purchase warrants of the Company to acquire a 51% interest in Arrow Pilbara as follows:

- Issue 1,086,957 common shares (issued and valued at $695,652) and 1,086,957 common share purchase warrants (issued and valued at $583,761) exercisable into one share at $0.35 for three years and pay $500,000 (paid $300,000, with remaining due upon grant of applications).

To acquire a further 29% interest in Arrow Pilbara, the Company is required to:

- Pay $250,000 or an equivalent number of common shares based on the five-day trailing volume-weighted average price at the time of issue, subject to a floor price of no lower than $0.19 per common share.

The vendor retains a right to explore for, mine and extract lithium, caesium and tantalum from the property.

A discovery bonus of $500,000 cash is payable if the Company reports a National Instrument 43-101-defined "measured mineral resource" or "inferred mineral resource" of at least 100,000 ounces of gold on the property.

Drummond East Pty. Ltd. ("Drummond East")

On May 22, 2018 the Company. has entered into a binding letter of intent ("LOI") to acquire a 100% interest in Drummond East, an arm's length Australian exploration company wholly owned by Impact Minerals Ltd. ("Impact"). Drummond East holds seven granted tenement licenses in the Pilbara Region of Western Australia.

Under the terms of the LOI, which will be formalized by a definitive agreement among the parties, the Company will pay Impact a total of $350,000 and issue to Impact 2,125,000 common shares of the Company.

In addition, the Company will pay a bonus to Impact of $500,000 if the Company publishes measured, indicated or inferred gold resources of more than 250,000 ounces on the property. The Company will grant Impact a 2% NSR in respect of the property on standard industry terms to be agreed between the parties. The parties agree that the Company shall, at all times, retain an exclusive and unlimited right to purchase 50% of the NSR back from Impact for $500,000.

8. EXPLORATION AND EVALUATION ASSETS (Continued)

h) Pilbara Project (continued)

Friendly Creek

On May 28, 2018 the Company entered into a binding LOI to acquire 100% of the Friendly Creek exploration license and mining leases in the Pilbara Region of Western Australia.

Under the terms of the LOI, which will be formalized by a definitive agreement among the parties, the Company will purchase a 100% interest in Friendly Creek by paying the vendors a total of $25,000 and issuing to the vendors 2,500,000 common shares of the Company.

This transaction is subject to the acceptance of the TSX-V.

(Unaudited – Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS (Continued)

	Tully West	Red Lake	Birch	Lincoln	Duxbury	Carpenter Lake	Corning Creek	Pilbara	Total
Balance, November 30, 2016	**$ -**	**$ -**	**$ -**	**$ 100,000**	**$ 150,448**	**$ 226,000**	**$ 1**	**$ -**	**$ 476,449**
Property Acquisition Costs									
Acquisition and option payments	142,000	651,000	193,500	-	-	-	-	-	986,500
Claim costs	313	-	-	-	-	-	-	-	313
Total Acquisition Costs	142,313	651,000	193,500	-	-	-	-	-	986,813
Property Exploration Costs									
Assays	15,285	-	-						15,285
Camp and other	-	-	3,000	-	-	-	-	-	3,000
Drilling	241,807	-	-	-	-	-	-	-	241,807
Geological	106,488	126,813	15,320	-	-	-	-	-	248,621
Total Exploration Costs	363,580	126,813	18,320	-	-	-	-	-	508,713
Impairment	-	-	(211,820)	-	(150,448)	-	(1)	-	(362,269)
Balance, November 30, 2017	**505,893**	**777,813**	**-**	**100,000**	**-**	**226,000**	**-**	**-**	**1,609,706**
Property Acquisition Costs									
Acquisition and option payments	580,000	12,000	-	(40,000)	-	-	-	3,308,860	3,860,860
Claim costs	260	-	-	-	-	-	-	-	260
Total Acquisition Costs	580,260	12,000	-	(40,000)	-	-	-	3,308,860	3,861,120
Property Exploration Costs									
Geological	5,750	39,750	-	-	-	-	-	-	45,500
Total Exploration Costs	5,750	39,750	-	-	-	-	-	-	45,500
Impairment	-	(243,000)	-	(60,000)	-	-	-	-	(303,000)
Balance, May 31, 2018	**$ 1,091,903**	**$ 586,563**	**$ -**	**$ -**	**$ -**	**$ 226,000**	**$ -**	**$ 3,308,860**	**$ 5,213,326**

9. LOAN PAYABLE

At May 31, 2018, the Company had a loan payable of $211,971 (November 30, 2017 - $nil) due to a shareholder of the Company. The loan was unsecured and without interest or stated terms of repayment.

10. FLOW-THROUGH SHARES

During the six months ended May 31, 2018, the Company incurred $580 (2017 - $nil) for Part XII.6 tax and other provincial taxes in relation to its December 2016 flow-through share financing.

At May 31, 2018, the Company had no remaining commitment to incur exploration expenditures in relation to its December 29, 2016 flow-through share financing.

11. CAPITAL STOCK

a) Authorized

Unlimited number of common voting shares without par value

b) Issued

During the six months ended May 31, 2018

On January 25, 2018, the Company issued 1,300,000 common shares valued at $390,000 for the Tully West Project (note 8(a)).

On March 31, 2018, the Company issued 1,833,333 common shares valued at $540,833 of the Company to a vendor of the Company to settle accounts payable of $550,000. The Company recorded a gain on settlement of accounts payable of $9,167.

On March 29, 2018, the Company issued 916,666 common shares valued at $283,333 for the Pilbara Project (note 8(h)). The Company also issued 156,250 common shares values at $40,625 as a finder's fee on the transaction.

On May 9, 2018, the Company closed a private placement for gross proceeds of $5,550,500. The Company issued 24,132,609 units at a price of $0.23 per unit. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of $0.35 for a period of three years from the date of issuance. The Company paid finders' fees of $331,346 and issued 1,096,056 agent warrants with a value of $295,568 (note 11(d)).

On May 22, 2018, the Company issued 1,086,957 common shares valued at $695,652 for the Pilbara Project (note 8(h)). The Company also issued 227,941 common shares values at $145,882 as a finder's fee on the transaction.

The Company received $289,400 on the exercise of 2,519,000 stock options. The Company transferred $156,842, the value of the stock options, from the share-based payment reserve to capital stock upon exercise of the options. The average share price was $0.62 when the stock options were exercised.

The Company received $1,226,720 on the exercise of 5,111,333 warrants. There was no value of the warrants transferred from the share-based payment reserve to capital stock upon exercise of the warrants.

The Company received $25,179 on the exercise of 209,827 agent warrants. The Company transferred $25,988, the value of the agent warrants, from the share-based payment reserve to capital stock upon exercise of the agent warrants.

(Unaudited – Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

b) Issued (continued)

During the year ended November 30, 2017

On December 29, 2016, the Company closed a private placement and issued 4,100,000 flow-through common shares at a price of $0.05 per share for gross proceeds of $205,000. The Company paid cash share issue costs of $2,375.

On January 25, 2017, the Company issued 1,300,000 common shares valued at $117,000 for the Tully West Project (note 8(a)).

On March 23, 2017, the Company issued 392,857 common shares valued at $35,357 of the Company to companies controlled by a current and a former officer of the Company to settle accounts payable of $27,500. The Company recorded a loss on settlement of accounts payable of $7,857.

On March 23, 2017, the Company issued 1,150,000 common shares valued at $103,500 for the Birch Gold Project (note 8(c)).

On April 18, 2017, the Company closed a private placement and issued 7,228,571 common shares at a price of $0.07 per share for gross proceeds of $506,000. The Company issued 28,000 common shares, paid cash share issue costs of $3,290 and paid $14,770 in cash as finder's fees.

On May 23, 2017 and May 29, 2017, the Company issued 4,000,000 common shares valued at $560,000 for the Red Lake Project (note 8(b)).

The Company received $108,550 on the exercise of 1,108,000 stock options. The Company transferred $75,589, the value of the stock options, from the share-based payment reserve to capital stock upon exercise of the options. The average share price was $0.12 when the stock options were exercised.

The Company received $102,720 on the exercise of 428,000 warrants. There was no value of the warrants transferred from the share-based payment reserve to capital stock upon exercise of the warrants.

The Company received $20,630 on the exercise of 171,920 agent warrants. The Company transferred $20,195, the value of the agent warrants, from the share-based payment reserve to capital stock upon exercise of the agent warrants.

c) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Six Months Ended May 31, 2018		**Year Ended November 30, 2017**	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of period	5,411,333	$ 0.24	5,839,333	$ 0.24
Granted	25,677,899	$ 0.35	-	-
Exercised	(5,111,333)	$ 0.24	(428,000)	$ 0.24
Expired	(300,000)	$ 0.24	-	-
Outstanding, end of period	25,677,899	$ 0.35	5,411,333	$ 0.24

(Unaudited – Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

c) Warrants (continued)

The following warrants were outstanding and exercisable:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	**May 31, 2018**
May 29, 2020	1.83	$ 0.45	458,333
May 9, 2021	2.94	$ 0.35	24,132,609
May 22, 2021	2.98	$ 0.35	1,086,957
	2.92	$ 0.35	25,677,899

d) Agent warrants

Agent warrant transactions and the number of warrants outstanding are summarized as follows:

	Six Months Ended May 31, 2018		**Year Ended November 30, 2017**	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of period	221,227	$ 0.12	393,147	$ 0.12
Granted	1,447,956	$ 0.35	-	-
Exercised	(209,827)	$ 0.12	(171,920)	$ 0.12
Expired	(11,400)	$ 0.12	-	-
Outstanding, end of period	1,447,956	$ 0.35	221,227	$ 0.12

The following agent warrants were outstanding and exercisable:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	**May 31, 2018**
May 9, 2021	2.94	$ 0.35	1,447,956

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for its agent warrants granted. Included in consulting fees during the six months ended May 31, 2018 was $80,937 (year ended November 30, 2017 - $nil) in relation to 351,900 agent warrants issued.

(Unaudited – Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

d) Agent warrants (continued)

The fair value of each agent warrant granted was calculated using the following weighted average assumptions:

	Six Months Ended May 31, 2018	**Year Ended November 30, 2017**
Expected life (years)	3.00	N/A
Risk-free interest rate	1.95%	N/A
Annualized volatility	130%	N/A
Dividend yield	N/A	N/A
Stock price at grant date	$ 0.35	N/A
Exercise price	$ 0.35	N/A
Weighted average grant date fair value	$ 0.26	N/A

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

e) Stock options

The Company has a stock option plan to grant incentive stock options to directors, officers, employees and consultants. Under the plan, the aggregate number of common shares that may be subject to option at any one time may not exceed 10% of the issued common shares of the Company as of that date, including options granted prior to the adoption of the plan. Options granted may not exceed a term of 10 years, and the term will be reduced to one year following the date of death of the optionee. All options vest when granted unless otherwise specified by the Board of Directors.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Six Months Ended May 31, 2018		**Year Ended November 30, 2017**	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	5,377,000	$ 0.11	3,539,000	$ 0.10
Granted	3,725,000	$ 0.37	4,700,000	$ 0.12
Exercised	(2,519,000)	$ 0.11	(1,108,000)	$ 0.10
Expired	-	-	(954,000)	$ 0.12
Cancelled	-	-	(800,000)	$ 0.13
Outstanding, end of period	6,583,000	$ 0.25	5,377,000	$ 0.11

(Unaudited – Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

e) Stock options (continued)

The following stock options were outstanding and exercisable at May 31, 2018:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	Outstanding	Exercisable
September 7, 2018	0.27	$ 0.10	1,558,000	1,558,000
November 9, 2018	0.44	$ 0.075	700,000	700,000
November 15, 2018	0.46	$ 0.22	200,000	200,000
July 27, 2019	1.16	$ 0.09	250,000	250,000
November 15, 2019	1.46	$ 0.22	50,000	50,000
November 15, 2020	2.46	$ 0.22	100,000	100,000
May 10, 2021	2.95	$ 0.35	3,425,000	3,425,000
May 14, 2021	2.96	$ 0.55	300,000	300,000
	1.88	$ 0.25	6,583,000	6,583,000

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for its stock options granted. Accordingly, share-based payments of $1,293,985 were recognized during the six months ended May 31, 2018 (year ended November 30, 2017 - $300,629).

The fair value of each stock option granted was calculated using the following weighted average assumptions:

	Six Months Ended May 31, 2018	**Year Ended November 30, 2017**
Expected life (years)	3.00	1.11
Risk-free interest rate	2.07%	0.93%
Annualized volatility	137%	132%
Dividend yield	N/A	N/A
Stock price at grant date	$ 0.44	$ 0.12
Exercise price	$ 0.37	$ 0.12
Weighted average grant date fair value	$ 0.35	$ 0.06

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

During the year ended November 30, 2017, the Company transferred $120,891 from the share-based payments reserve to deficit upon the expiry of 954,000 and cancellation of 800,000 stock options granted to consultants.

(Unaudited – Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS

These amounts of key management compensation are included in the amounts shown on the condensed consolidated interim statements of comprehensive loss:

	Six Months Ended May 31, 2018	Six Months Ended May 31, 2017
Short-term compensation (professional fees and consulting fees)	$ 188,000	$ 20,250
Share-based compensation	464,441	-
	$ 652,441	$ 20,250

During the six months ended May 31, 2018, short-term compensation to related parties consisted of $45,000 (2017 - $nil) in consulting fees, $100,500 (2017 - recovery of $2,250) in management fees and $42,500 (2017 - $22,500) in professional fees.

Transactions with related parties are included in the amounts shown on the condensed consolidated interim statements of comprehensive loss as follows:

	Six Months Ended May 31, 2018	Six Months Ended May 31, 2017
Related company with a common officer (rent)	$ 18,000	$ -

As at May 31, 2018, the Company has outstanding amounts payable to officers and directors of the Company of $62,250 (November 30, 2017 - $61,375) for outstanding fees and expenses. The amounts payable are non-interest-bearing, uncollateralized and repayable on demand.

As at May 31, 2018, the Company had payables of $nil (November 30, 2017 - $9,585) related to shared administrative expenses with a company related by a common officer.

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	May 31, 2018	May 31, 2017
Income tax paid	$ -	$ -
Interest paid	$ -	$ -
Exploration and evaluation expenditures in accounts payable (opening)	$ 393,730	$ 15,608
Exploration and evaluation expenditures in accounts payable (closing)	$ 24,983	$ 115,419
Fair value of shares issued for exploration and evaluation assets	$ 1,510,493	$ 780,500
Fair value of warrants issued for exploration and evaluation assets	$ 648,306	$ -
Fair value of stock options exercised	$ 156,842	$ 68,936
Fair value of stock options expired	$ -	$ 59,218
Fair value of agent warrants exercised	$ 25,988	$ -

(Unaudited – Expressed in Canadian Dollars)

14. SEGMENTED DISCLOSURE

The Company has one operating segment, mineral exploration and development. The Company's reportable segments are summarized as follows:

Geographical segment

Non-current assets	Canada	USA	Australia	Total
May 31, 2018	$ 2,366,705	$ -	$ 3,308,860	$ 5,675,565
November 30, 2017	$ 1,514,021	$ 100,000	$ -	$ 1,614,021

15. SUBSEQUENT EVENTS

a) On June 20, 2018, the Company entered into a binding LOI whereby the Company can earn a 100% interest in the Bellary Dome exploration license.

   Under the terms of the LOI, which will be formalized by a definitive agreement among the parties, the Company must pay $2,000,000 and issue 10,098,000 common shares of the Company on closing of the transaction. The Company must also pay $1,000,000, or issue common shares of the Company with that value, on each of the dates that are 12 months and 18 months following completion of the transaction.

   An advisory fee with respect to the transaction in the amount of 750,000 common shares of the Company will be paid.

   This transaction is subject to the acceptance of the TSX-V.

b) Subsequent to May 31, 2018, the Company received $136,500 on the exercise of 650,000 stock options.

c) On July 19, 2018, the Company granted 2,175,000 stock options to consultants with an exercise price of $0.55 and a term to expiry of 3 years.

d) On July 25, 2018, the Company granted 450,000 stock options to officers and directors with an exercise price of $0.57 and a term to expiry of 3 years.