Roughrider
EXPLORATION LIMITED

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**March 31, 2017 and 2016**

**Expressed in Canadian dollars**

*Notice to Reader: As required by National Instrument 51-102 subsection 4.3(3)(a), readers are advised that an auditor has not performed a review of these condensed interim financial statements.*

# ROUGHRIDER EXPLORATION LIMITED
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**
*Expressed in Canadian Dollars*
*Unaudited – Prepared by Management*

| | March 31, 2017 | December 31, 2016 |
|---|---|---|
| **ASSETS** | | |
| **Current assets** | | |
| Cash and cash equivalents | $ 409,854 | $ 476,425 |
| Receivables | 3,851 | 36,404 |
| Prepaid expenses | 8,067 | 7,857 |
| | 421,772 | 520,686 |
| **Non-current assets** | | |
| Exploration property acquisition costs (Note 4) | 1,201,103 | 1,196,112 |
| | $ 1,622,875 | $ 1,716,798 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| **Current liabilities** | | |
| Accounts payable and accrued liabilities (Note 7) | $ 119,658 | $ 112,394 |
| **Non-current liabilities** | | |
| Flow-through premium (Note 5) | 48,993 | 51,010 |
| | 168,651 | 163,404 |
| **Shareholders' equity** | | |
| Capital stock (Note 6) | 4,283,900 | 4,274,221 |
| Other equity reserves | 511,418 | 511,418 |
| Deficit | (3,341,094) | (3,232,245) |
| | 1,454,224 | 1,553,394 |
| | $ 1,622,875 | $ 1,716,798 |

Nature and continuance of operations (Note 1)
Related party transactions (Note 7)
Subsequent event (Note 11)

**On behalf of the Board of Directors on May 29, 2017**

| | |
|---|---|
| *Signed "Scott Gibson"* | *Signed "Alex Heath"* |
| Director | Director |

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

# ROUGHRIDER EXPLORATION LIMITED
**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**
**FOR THE THREE MONTHS ENDED MARCH 31**
*Expressed in Canadian Dollars*
*Unaudited – Prepared by Management*

| | | 2017 | | 2016 |
|---|---|---|---|---|
| Exploration expenses (Note 4 and 7) | $ | 12,102 | $ | 13,000 |
| Filing fees | | 4,359 | | 3,401 |
| Flow-through premium recovery (Note 5) | | (2,017) | | (1,625) |
| Interest income | | (98) | | (409) |
| Marketing (Note 7) | | 11,673 | | 4,275 |
| Office expenses | | 5,594 | | 7,659 |
| Professional fees | | 15,408 | | 4,437 |
| Salaries and personnel costs (Note 7) | | 61,828 | | 58,126 |
| Share-based compensation (Note 6) | | - | | 12,000 |
| Loss and comprehensive loss for the period | $ | (108,849) | $ | (100,864) |
| Basic and diluted loss per common share | $ | (0.00) | $ | (0.00) |
| Weighted average number of common shares outstanding | | 36,563,646 | | 23,407,790 |

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

# ROUGHRIDER EXPLORATION LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

*Expressed in Canadian Dollars*

*Unaudited – Prepared by Management*

| | Capital Stock | | | | |
|---|---|---|---|---|---|
| | Number of Shares | Amount | Other Equity Reserves | Deficit | Total Equity |
| **Balance, December 31, 2015** | **23,043,782** | **$3,582,382** | **$ 453,782** | **$(2,702,074)** | **$ 1,334,090** |
| Private placement | 1,035,147 | 72,460 | -- | -- | 72,460 |
| Issuance costs | -- | (3,371) | (2,548) | -- | (5,919) |
| Warrants issued with private placement | -- | (31,200) | 32,500 | -- | 1,300 |
| Share-based payments | -- | -- | 12,000 | -- | 12,000 |
| Loss for the period | -- | -- | -- | (100,864) | (100,864) |
| Balance, March 31, 2016 | 24,078,929 | $3,620,271 | $ 495,734 | $(2,802,938) | $ 1,313,067 |
| **Balance, December 31, 2016** | 36,374,757 | $4,274,221 | $ 511,418 | $(3,232,245) | $ 1,553,394 |
| Private placement | 200,000 | 10,000 | -- | -- | 10,000 |
| Issuance costs | -- | (321) | -- | -- | (321) |
| Loss for the period | -- | -- | -- | (108,849) | (108,849) |
| **Balance, March 31, 2017** | **36,574,757** | **$4,283,900** | **$ 511,418** | **$(3,341,094)** | **$ 1,454,224** |

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

## ROUGHRIDER EXPLORATION LIMITED

**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**
**FOR THE THREE MONTHS ENDED MARCH 31**
*Expressed in Canadian Dollars*
*Unaudited – Prepared by Management*

| | March 31, 2017 | March 31, 2016 |
|---|---|---|
| **OPERATING ACTIVITIES** | | |
| Loss for the period | $ (108,849) | $ (100,864) |
| Items not affecting cash: | | |
| Flow-through premium recovery (Note 5) | (2,017) | (1,625) |
| Share-based compensation | - | 12,000 |
| Changes in non-cash working capital items: | | |
| Receivables | 32,553 | (157) |
| Prepaid expenses | (210) | (1,400) |
| Accounts payable and accrued liabilities | 7,264 | (47,955) |
| Net cash used in operating activities | (71,259) | (44,091) |
| **INVESTING ACTIVITIES** | | |
| Additions of mineral properties | (4,991) | -- |
| Net cash used in investing activities | (4,991) | -- |
| **FINANCING ACTIVITIES** | | |
| Repayment of loans | -- | (22,460) |
| Shares and warrants issued in private placements | 10,000 | 72,460 |
| Share issue costs | (321) | (4,619) |
| Net cash generated through financing activities | 9,679 | 45,381 |
| **Increase (decrease) in cash and cash equivalents for the period** | (66,571) | 1,290 |
| **Cash and cash equivalents, beginning of period** | 476,425 | 375,102 |
| **Cash and cash equivalents, end of period** | $ 409,854 | $ 376,392 |
| Cash and cash equivalents consists of: | | |
| Cash | $ 59,854 | $ 151,392 |
| Cashable guaranteed investment certificate issued by a Canadian bank | 350,000 | 225,000 |
| | $ 409,854 | $ 376,392 |
| Cash paid during the period for interest and taxes | $ -- | $ 680 |
| Non-cash transactions affecting cash flows from investing and financing activities: | | |
| Finder's warrant valuation | $ -- | $ 2,570 |

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

## 1. NATURE AND CONTINUANCE OF OPERATIONS

Roughrider Exploration Limited ("Roughrider" or the "Company") was incorporated on December 7, 2011 under the *British Columbia Business Corporations Act*. The Company is listed on the TSX Venture Exchange as a Tier 2 Mining Issuer. The principal business of the Company is the exploration and evaluation of mineral properties. The principal focus of the Company is exploring the Genesis property, a uranium project located to the northeast of the Athabasca Basin in Saskatchewan.

The address of the Company's head office is Suite 420 – 625 Howe Street, Vancouver, British Columbia, Canada V6C 2T6. The address of the Company's registered office is 2500 – 700 West Georgia Street, Vancouver, British Columbia, Canada V7Y 1B3.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The Company has no source of revenue, has an accumulated deficit of $3,341,094 at March 31, 2017, and expects to incur further losses in order to explore its mineral properties. These factors cast significant doubt upon the Company's ability to continue as a going concern and, therefore suggest that the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations are dependent upon its ability to obtain sufficient financing to explore the Genesis property, and upon the successful exploration and development or sale of the Company's exploration projects. Although the Company has been successful in obtaining financing to begin this process, there is no assurance that it will be able to obtain adequate financing in the future, or that such financing will be on terms that are advantageous to the Company.

## 2. BASIS OF PREPARATION

These condensed interim financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS applicable to the preparation of interim financial statements as issued by the International Accounting Standards Board ("IASB") including International Accounting Standard ("IAS") 34 Interim Financial Reporting, and are consistent with interpretations by the International Financial Reporting Interpretations Committee ("IFRIC") which were effective as of May 29, 2017, the date the Board of Directors authorized these financial statements for issuance.

The preparation of these condensed interim financial statements required management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements. Actual results could differ from these estimates. Critical estimates and judgments are discussed more fully in the Company's audited financial statements for the period ended December 31, 2016.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of presentation

These condensed interim financial statements are expressed in Canadian dollars, the Company's functional and presentation currency, the currency of the primary economic environment in which it operates. These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as *financial instruments at fair value through profit and loss*, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Accounting policies used in the preparation of these financial statements are consistent with those described in the Company's audited annual financial statements for the period ended December 31, 2016.

### b. Recent accounting pronouncements

<u>For the Company's year ended December 31, 2018:</u>

*IFRS 7, Financial Instruments: Disclosures* amendment requires additional disclosures on transition from IAS 39 and IFRS 9, and will be effective for the Company's year ended December 31, 2018.

*IFRS 9, Financial Instruments* introduces the new requirements for the classification, measurement and de-recognition of financial assets and financial liabilities. Specifically, *IFRS 9* requires all recognized financial assets that are within the scope of *IAS 39 Financial Instruments: Recognition and Measurement* to be subsequently measured at amortized cost or fair value. The amendment also introduces a third measurement category for financial assets: fair value through other comprehensive income, and includes a single, forward-looking 'expected loss' impairment model. These amendments will be effective for the Company's year ended December 31, 2018.

*IFRS 15, Revenue from Contracts with Customers:* This new standard establishes a new control-based revenue recognition model which could change the timing of revenue recognition.

<u>For the Company's year ended December 31, 2019:</u>

*IFRS 16, Leases:* This new standard eliminates the classification of leases as either operating leases or finance leases and introduces a single lessee accounting model which requires the lessee to recognize assets and liabilities for all leases with a term of longer than 12 months.

The Company is in the process of assessing the impact of the upcoming changes in accounting standards.

*Expressed in Canadian Dollars*

## 4. EXPLORATION PROPERTY

### a. Acquisition costs

| | Genesis property | Other Canadian properties | Total |
|---|---|---|---|
| Balance, December 31, 2015 | $1,009,827 | $ 11,489 | $ 1,021,316 |
| Share payment | 186,285 | -- | 186,285 |
| Write-off of acquisition costs | -- | (11,489) | (11,489) |
| Balance, December 31, 2016 | $1,196,112 | $ -- | $ 1,196,112 |
| Staking costs | -- | 4,991 | 4,991 |
| Balance, March 31, 2017 | $1,196,112 | $ 4,991 | $ 1,201,103 |

***Genesis property***

On July 16, 2014, the Company entered into an option agreement, subsequently amended, with Kivalliq Energy Corp, ("Kivalliq") under which Roughrider may earn up to an 85% interest in Kivalliq's "Genesis" uranium project (the "Genesis property").

Under the terms of the amended option agreement, the Company may earn an initial 50% interest by making cash payments, incurring expenditures, and issuing shares as follows:

| | Payments | Expenditures | Common shares |
|---|---|---|---|
| On the effective date of the agreement | $125,000(1) | N/A | 1,969,828(1) |
| On or before December 31, 2014 | N/A | $1,000,000(1) | N/A |
| On signing of the amending agreement | $400,000(1) | N/A | N/A |
| On or before August 31, 2016 | N/A | N/A | 1,969,828(4) |
| On or before August 31, 2017 | $175,000(2) | $1,100,000 | N/A |
| Total | $700,000 | $2,100,000(3) | 3,939,656 |

(1) This amount has been paid, this expenditure incurred, or these shares issued as of December 31, 2015.
(2) This amount may be paid either in cash or in shares, at Roughrider's election.
(3) As of March 31, 2017, the Company has incurred expenditures of $1,904,000 including GST, as allowed under the amended option agreement.
(4) These shares have been issued as of December 31, 2016.

The Company may acquire a further 35% interest (for an aggregate 85% interest) by making cash payments, incurring expenditures, and issuing shares as follows:

| | Payments | Expenditures | Common shares |
|---|---|---|---|
| On or before August 31, 2018 | $250,000(1) | N/A | N/A |
| On or before August 31, 2019 | $450,000(1) | $2,500,000 | N/A |

(1) This amount may be paid either in cash or in shares, at Roughrider's election.

During the year ended December 31, 2016, Roughrider acquired additional claims within the boundary of the Genesis project for the issuance of 75,000 common shares, valued at $9,000, and the creation of a 2% net smelter returns royalty ("NSR") on production from the area covered by the licences. The NSR may be reduced to 1% by the payment of $500,000 within six months of publishing a feasibility study incorporating the area covered by the licences.

*Expressed in Canadian Dollars*

## 4. EXPLORATION PROPERTY (cont'd)

***Other Canadian properties***

On March 6, 2017, the Company entered into a letter agreement with Commander Resources Ltd. ("Commander") to acquire up to a 100% interest in Commander's Sabin zinc-copper-silver property in Northwestern Ontario, Canada, by paying a total of $1,100,000 in cash payments, completing $4,500,000 in exploration expenditures, and issuing a total of 4,400,000 common shares of the Company over a nine year period. Commander retains a 1% NSR on claims where the NSR held by all other parties is not greater than 2%. The transaction is subject to, among other items, completion of due diligence and various third party and regulatory approvals.

During the period ended March 31, 2017 the Company staked certain claims contiguous to the Sabin property in Northwestern Ontario, Canada at a cost of $4,991.

**b. Exploration expenses**

The Company incurred the following exploration expenditures during the three months ended March 31, 2017 and 2016:

| | March 31, 2017 | March 31, 2016 |
|---|---|---|
| Geological consulting | $ 5,968 | $ -- |
| Geophysical survey (data analysis) | 4,364 | -- |
| Geophysical survey (ground) | 348 | -- |
| Materials | 250 | -- |
| Personnel time | -- | 13,000 |
| Travel | 1,172 | -- |
| Total | $ 12,102 | $ 13,000 |

## 5. FLOW THROUGH PREMIUM LIABILITY

On December 30, 2016, the Company completed a flow-through private placement of 5,101,000 flow-through shares at a price of $0.06 per share for gross proceeds of $306,060. A $51,010 flow-through share premium liability was recorded pursuant to this financing. Upon incurring qualifying expenditures of $12,102 for the period ended March 31, 2017, the flow-through share premium liability was partially extinguished, and a recovery of this liability was recorded in the Statements of Loss and Comprehensive Loss, in the amount of $2,017 (March 31, 2016 - $1,625).

## 6. CAPITAL STOCK

**Authorized:**

Unlimited common shares with no par value and unlimited preferred shares with no par value.

**Issuances**

On February 2, 2016, the Company completed a private placement of 1,035,147 common shares at a price of $0.07 per share for gross proceeds of $72,460. Each unit consisted of one common share and one warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.12 per share until February 1, 2018. The Company paid cash finder's fees of $3,000 and issued 42,857 finder's warrants valued at $1,300. The finder's warrants have the same terms as the warrants bundled in the units. The Company incurred additional costs of $1,619 in connection with this financing.

On May 30, 2016, the Company acquired additional exploration property in exchange for the issuance of 75,000 shares valued at $9,000 and a 2% NSR royalty on the property. The NSR may be reduced to 1% by the payment of $500,000 within six months of publishing a feasibility study incorporating the area covered by the licences. The Company incurred additional costs of $534 in connection with this acquisition.

On August 30, 2016, the Company made a share payment to Kivalliq of 1,969,828 shares which was due under the Genesis property option agreement described in Note 4. These shares were issued at a price of $0.09 for a total value of $177,285.

On December 30, 2016, the Company closed the first tranche of a flow-through private placement of 5,101,000 flow-through units (the "FT Units") at a price of $0.06 per FT Unit for aggregate proceeds of $306,060 and an aggregate of 5,150,000 non-flow-through common shares (the "Non-FT Shares") at a price of $0.05 per Non-FT Share for aggregate proceeds of $257,500. The FT Units consist of one flow-through common share and one half of one share purchase warrant. Each whole warrant entitles the holder to purchase one non-flow-through common share at a price of $0.10 per common share until December 30, 2018. The Company paid cash finder's fees of $14,704 and issued 245,070 finder's warrants with a Black-Scholes valuation of $6,684. The finder's warrants have the same terms as the warrants bundled in the units. The Company incurred additional costs of $22,963 in connection with this financing.

On January 5, 2017, the Company closed the final tranche of the non-brokered private placement financing and issued 200,000 additional non-flow through shares ("Non-FT Shares") at a price of $0.05 per Non-FT Share for proceeds of $10,000. The Company incurred additional costs of $321 in connection with this financing.

**Escrowed shares**

As at March 31, 2017, the Company has 486,000 shares held in escrow (March 31, 2016 – 1,458,000). Tranches of 15% (486,000 shares each) were released on January 16, 2015, July 16, 2015, January 16, 2016 and July 16, 2016 and January 16, 2017. The final tranche of 15% will be released on July 16, 2017.

*Expressed in Canadian Dollars*

## 6. CAPITAL STOCK (cont'd)

**Stock options**

The Company has established a share purchase option plan whereby the Board of Directors may grant options to directors, officers, employees or consultants. The goal of this plan is to more closely align the interests of option-holders with the interests of shareholders.

The Company has been authorized by its shareholders to grant stock options numbering up to ten percent (10%) of the number of common shares issued and outstanding. Under the plan, the exercise price of each option shall be determined by the directors but will in no event be less than the discount market price for the common shares. Stock options granted are subject to a maximum term of 10 years and vest at the discretion of the Board of Directors. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than one quarter of such options vesting in any 3 month period.

Details of stock option activity are as follows:

| | Number of options | Weighted average exercise price |
|---|---|---|
| Outstanding, December 31, 2015 | 1,950,000 | $0.22 |
| Granted | 450,000 | $0.10 |
| Outstanding, December 31, 2016 and March 31, 2017 | 2,400,000 | $0.20 |

The following table summarizes information about stock options outstanding and exercisable to directors, officers, employees and consultants as at March 31, 2017:

| Grant date | Expiry date | Exercise price | Number of options outstanding and exercisable | Remaining contractual life |
|---|---|---|---|---|
| Aug. 7, 2014 | Aug. 7, 2019 | $0.22 | 1,950,000 | 2.35 years |
| Feb. 1, 2016 | Feb. 1, 2021 | $0.12 | 250,000 | 3.84 years |
| Dec. 20, 2016 | Dec. 20, 2021 | $0.07 | 200,000 | 4.73 years |

The fair values of stock options granted were calculated using the Black-Scholes Option Pricing Model, based on the following weighted average assumptions:

| | March 31, 2017 | December 31, 2016 |
|---|---|---|
| Exercise price | -- | $0.10 |
| Average risk-free interest rate | -- | 0.88% |
| Expected dividend yield | -- | 0.00% |
| Expected stock price volatility | -- | 120.74% |
| Expected life | -- | 5.00 years |
| Value per option | -- | $0.047 |

*Expressed in Canadian Dollars*

## 6. CAPITAL STOCK (cont'd)

### Warrants

Details of warrant activity are as follows:

| | Number of warrants | Weighted average exercise price |
|---|---|---|
| Outstanding, December 31, 2015 | 7,653,896 | $0.32 |
| Issued | 3,873,574 | $0.11 |
| Expired | (603,420) | $0.21 |
| Outstanding, December 31, 2016 and March 31, 2017 | 10,924,050 | $0.25 |

As at March 31, 2017, the outstanding stock purchase warrants were as follows:

| Expiry date | Exercise price | Number of warrants | Remaining life (years) |
|---|---|---|---|
| July 16, 2017 | $0.35 | 6,264,226 | 0.29 |
| December 31, 2017 | $0.12 | 786,250(1) | 0.75 |
| February 1, 2018 | $0.12 | 1,078,004(2) | 0.84 |
| December 30, 2018 | $0.10 | 2,795,570(3) | 1.75 |
| Weighted average remaining contractual life: | | | 0.75 |

(1) 67,500 of which are finder's warrants
(2) 42,857 of which are finder's warrants
(3) 245,070 of which are finder's warrants

The fair values of the finder's warrants issued were calculated using the Black-Scholes Option Pricing Model, based on the following weighted average assumptions:

| | March 31, 2017 | December 31, 2016 |
|---|---|---|
| Exercise price | -- | $0.10 |
| Average risk-free interest rate | -- | 0.76% |
| Expected dividend yield | -- | 0.00% |
| Expected stock price volatility | -- | 110.31% |
| Expected life | -- | 2.00 years |

## 7. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

**Key management personnel:**

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management includes executive and non-executive members of the Company's Board of Directors, a corporate officer and a vice president. For the period ended March 31, 2017, an officer and a vice president of the Company were paid compensation of $53,750 (March 31, 2016 - $67,000) which is included in salaries, marketing and in exploration expenses. During the period ended March 31, 2016, 250,000 stock options were granted to one director. During the same period, non-executive members of the Company's Board of Directors received no cash compensation or stock options.

**Other related parties:**

During the three months ended March 31, 2017:

a) Legal services valued at $11,479 (March 31, 2016 - $2,000) were received from a law firm for which one of the directors of the Company is a partner, and

b) Administrative services valued at $1,587 (March 31, 2016 - $Nil) were received from a company owned by a director and officer of the Company.

As at March 31, 2017, the Company owed $26,843 (2016 – $39,000) to related parties, which is included in accounts payable and accrued liabilities.

## 8. CAPITAL DISCLOSURES

The Company manages its common shares, options and warrants as capital, each components of shareholders' equity. As at March 31, 2017, the Company's shareholders' equity was $1,454,224. As the Company is an exploration-stage mining company, its principal source of funds is from the issuance of common shares (See Note 1). When managing the capital structure, the Company's competing objectives are to minimize the number of shares issued and to raise sufficient capital to both safeguard its ability to continue as a going concern, and to execute near-term exploration objectives. The Company has not established any quantitative capital management criteria as the competing objectives require subjective analysis.

The Company is not subject to any externally imposed capital requirements.

## 9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

**Financial risk factors**

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

***Credit risk***

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents. The Company limits its exposure to credit loss by placing its cash with a major Canadian bank. The Company's only significant receivable at March 31, 2017 relates to a sales tax refund from the Government of Canada, who is not considered a default risk.

***Liquidity risk***

All of the Company's current financial liabilities are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position.

***Market risk***

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity prices, equity prices, and foreign currency fluctuations.

***a) Interest rate risk***

Interest rate risk on cash and cash equivalents is minimal because these investments generally have a fixed yield rate. As at March 31, 2017 the Company did not have any interest bearing debt.

***b) Foreign currency risk***

The Company could be exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at March 31, 2017, the Company did not have any significant exposure to foreign currencies and so considers foreign currency risk insignificant to the Company at present.

***c) Price risk***

The Company may at times have limited indirect exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

## 10. SEGMENTED INFORMATION

The Company has one reportable operating segment being the acquisition, exploration and evaluation of exploration properties. The total assets attributable to geographical locations relate primarily to exploration properties and are located in Canada.

## 11. SUBSEQUENT EVENT

On April 25, 2017, the Company signed a letter of intent ("LOI") granting it the right to acquire, by option, a 100% interest in the Iron Butte oxide gold-silver project located along the western margin of the Carlin Gold Trend in Lander County, Nevada. The terms of the LOI signed April 20, 2017 provides an exclusivity during which the parties will endeavour to execute a definitive agreement and close the transaction by June 10, 2017.

Under the terms of the LOI, the Company can earn a 100% interest in the Iron Butte project by making a total of $1,000,000 USD ($5,000 USD paid upon execution of the LOI) in cash payments and issuing 1,500,000 shares in the Company over 6 years. If a positive production decision is made regarding Iron Butte, the Company will pay a further $1,000,000 USD and issue an additional 500,000 the Company's shares. The vendor will also receive a $500,000 USD payment for every 1,000,000 ounces of gold production and $500,000 USD payment for every 10,000,000 ounces of silver production at Iron Butte. The vendor will also retain a 2.5% NSR subject to buy-down provisions of $1,000,000 USD for the first 1% and $1,000,000 USD for an additional 0.5%. All the Company's shares issuable under the transaction will be subject to a four month hold period.