RT MINERALS CORP.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED MAY 31, 2018 AND 2017

UNAUDITED

RT MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017
(UNAUDITED – SEE "NOTICE TO READER" BELOW)

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed the unaudited condensed interim consolidated financial statements for the periods ended May 31, 2018 and 2017.

NOTICE TO READER OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The condensed interim consolidated financial statements of RT Minerals Corp. and the accompanying condensed interim consolidated statements of financial position as at May 31, 2018 and the condensed interim consolidated statements of comprehensive loss, statements of changes in equity and cash flows for the six months ended May 31, 2018 and 2017 are the responsibility of the Company's management. These financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company, Manning Elliott LLP.

The financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with International Financial Reporting Standards. The Audit Committee of the Board of Directors, consisting of three members, has reviewed the financial statements and related financial reporting matters prior to submitting the financial statements to the Board for approval.

"Edmond Hatoum"	*"Sandra Wong"*
Edmond Hatoum Chief Executive Officer	Sandra Wong Chief Financial Officer
July 27, 2018	July 27, 2018

RT MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
AS AT MAY 31, 2018 AND 2017
(Expressed in Canadian Dollars)

	Note	May 31, 2018 $	November 30, 2017 $
Assets			
Current assets			
Cash		3,469	45,582
Short-term investments	4	17,035	125
Amounts receivable		5,202	54,923
Prepaid expenses		6,983	433
		32,689	101,063
Non-current assets			
Exploration and evaluation assets	5	1,883,763	1,469,330
		1,916,452	1,570,393
Liabilities			
Current liabilities			
Trade and other payables		252,386	162,873
Due to related parties	9	6,520	14,908
		258,906	177,781
Equity			
Share capital	6	12,934,342	12,498,535
Contributed surplus	6	1,691,001	1,561,635
Accumulated deficit		(12,967,797)	(12,667,558)
		1,657,546	1,392,612
		1,916,452	1,570,393

Nature of operations and going concern (Note 1)
Commitments (Note 10)
Subsequent events (Note 14)

These consolidated financial statements were approved and authorized for issue by the Board of Directors on July 27, 2018 and are signed on its behalf by:

/s/"Edmond Hatoum" Director *\/s/"Fred Kiernicki"* Director

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

RT MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
FOR THE SIX MONTHS ENDED MAY 31, 2018 AND 2017
(Expressed in Canadian Dollars)

		Three months ended		Six months ended	
	Note	**May 31, 2018 $**	**May 31, 2017 $**	**May 31, 2018 $**	**May 31, 2017 $**
Expenses					
Employee costs	8	147,549	166,112	239,827	196,090
Finance (recovery) expense	8	(10)	-	(10)	-
General and administrative expenses	8	28,167	55,883	60,570	115,249
Total expenses		(175,706)	(221,995)	(300,239)	(311,339)
Other income and (expenses)	8	(102)	(70,020)	148	(19,724)
Net loss and comprehensive loss for the period		(175,808)	(292,015)	(300,387)	(331,063)
Loss per common share, basic and diluted		(0.04)	(0.11)	(0.06)	(0.14)
Weighted average number of common shares outstanding		4,837,582	2,661,585	4,681,639	2,379,804

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

RT MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital $	Contributed Surplus $	Accumulated Deficit $	Total $
Balance at November 30, 2016	2,091,763	11,250,991	1,442,192	(12,066,624)	626,559
Net loss for the period	-	-	-	(331,063)	(331,063)
Shares issued for private placement	600,000	428,610	-	-	428,610
Shares issued for warrant exercises	28,100	14,050	-	-	14,050
Shares issued for option exercises	150,000	280,760	(130,760)	-	150,000
Share-based payments	-	-	250,294	-	250,294
Share issue costs	12,300	(20,842)	-	-	(20,842)
Balance at May 31, 2017	2,882,163	11,953,569	1,561,726	(12,397,687)	1,117,608
Balance at November 30, 2017	3,948,963	12,498,535	1,561,635	(12,667,558)	1,392,612
Net loss for the period	-	-	-	(300,239)	(300,239)
Shares issued for private placement	750,000	377,000	-	-	377,000
Shares issued for Golden Reed Mine	100,000	50,000	-	-	50,000
Shares issued for South Wawa	35,000	15,750	-	-	15,750
Share-based payments	-	-	129,366	-	129,366
Share issuance costs	4,000	(6,943)	-	-	(6,943)
Balance at May 31, 2018	4,837,963	12,934,342	1,691,001	(12,967,797)	1,657,546

On June 20, 2018, the Company consolidated its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares then issued and outstanding (the "Share Consolidation"). As a result of the Share Consolidation, the number of shares, warrants and options presented in these financial statements and the calculated weighted average number of common shares issued and outstanding for the purpose of earnings per share calculation are based on the post-consolidation shares for all historic years presented (Note 14(a)).

RT MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS ENDED MAY 31, 2018 AND 2017
(Expressed in Canadian Dollars)

	Three months ended		Six months ended	
	May 31, 2018 $	**May 31, 2017 $**	**May 31, 2018 $**	**May 31, 2017 $**
Operating activities				
Loss for the period	(175,808)	(292,015)	(300,239)	(331,063)
Items not involving cash:				
Share-based payments	70,707	60,920	93,413	60,920
Unrealized gain on short-term investments	40	70,000	90	20,000
Changes in non-cash working capital accounts:				
Amounts receivable	50,066	(15,157)	49,721	(6,351)
Prepaid expenses	1,802	(135,045)	(6,550)	(125,387)
Trade and other payables	21,203	(53,119)	(67,457)	(69,101)
Total cash used in operating activities	(31,990)	(364,416)	(231,022)	(450,982)
Investing activities				
Expenditures on exploration and evaluation assets	(55,019)	(115,821)	(152,760)	(176,245)
Proceeds from sale (purchase) of short-term investments	88,000	(117,000)	(17,000)	68,000
Total cash flows provided by (used in) investing activities	32,981	(232,821)	(169,760)	(108,245)
Financing activities				
Proceeds from share issuances	-	584,050	375,000	584,050
Share issuance costs	(46)	(11,333)	(4,943)	(12,232)
Repayments to related parties	(905)	(413)	(11,388)	(6,474)
Total cash flows provided by (used in) financing activities	(951)	572,304	358,669	565,344
Total increase (decrease) in cash during the period	40	(24,933)	(42,113)	6,117
Cash and cash equivalents, beginning of period	3,429	32,576	45,582	1,526
Cash and cash equivalents, end of period	3,469	7,643	3,469	7,643
Supplemental information				
Interest paid	-	-	-	-
Income taxes paid	-	-	-	-

Refer to Note 13 for non-cash transactions incurred during the periods ended May 31, 2018 and 2017.

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

1. NATURE OF OPERATIONS AND GOING CONCERN

RT Minerals Corp. (the "Company") was incorporated under the Business Corporations Act of British Columbia on March 9, 2007. The Company's business activity is the exploration and evaluation of mineral properties in Canada. The Company is listed on the TSX Venture Exchange ("TSXV"), having the symbol RTM-V, as a Tier 2 mining issuer.

The address of the Company's corporate office and principal place of business is 300 - 555 West Georgia Street, Vancouver, British Columbia, Canada.

The Company has not generated revenue from operations since inception. The Company has accumulated losses of $12,967,797 since inception and expects to incur further losses in the development of its business, all of which may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. As the Company is in the exploration stage, the recoverability of 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 will periodically have to raise funds to continue 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.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements for the six month period ended May 31, 2018 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 2017 annual financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements have been prepared using accounting policies consistent with those used in the Company's 2017 annual financial statements except for new standards, interpretations and amendments mandatorily effective for the first time from January 1, 2017. Note 2c) sets out the impact of new standards, interpretations and amendments that have had a material effect on the financial statements.

The condensed interim financial statements were authorized for issue by the Board of Directors on July 27, 2018.

The preparation of condensed interim consolidated financial statements in compliance with IAS 34 requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in Note 3.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, RT Minerals Corp (Guyana) Inc. ("RTMG"). RTMG was incorporated in Guyana. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

b) Foreign Currency Translation

The presentation currency and functional currency of the Company and its Guyana subsidiary is the Canadian dollar as this is the principal currency of the economic environment in which they operate. The Company's Guyana subsidiary is financially and operationally dependent on the Company. The Company translates transactions in foreign currencies into Canadian dollars at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities are translated at the exchange rates in effect at the consolidated statement of financial position date. Non-monetary assets and liabilities are translated at historical rates. The resulting exchange gains or losses are recognized in comprehensive loss.

c) New Accounting Standards, Interpretations and Amendments to Existing Standards

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended November 30, 2018, and have not been applied in preparing the consolidated financial statements.

The following new standards, amendments and interpretations have not been early adopted in these consolidated financial statements and are not expected to have a material effect on the Company's future results and financial position:

Accounting standards effective for annual periods beginning on or after January 1, 2018

IFRS 15 *Revenue from Contracts with Customers* – In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

IFRS 9 *Financial Instruments* – In November 2009, as part of the IASB project to replace IAS 39 *Financial Instruments: Recognition and Measurement*, the IASB issued the first phase of IFRS 9 that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013, new general hedge requirements were added to the standard. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting standards effective for annual periods beginning on or after January 1, 2019

IFRS 16 *Leases* – IFRS 16 Leases will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and amount of changes in estimates of amounts reported in the Company's 2017 annual financial statements.

4. SHORT-TERM INVESTMENTS

Short-term investments consist of term deposits and marketable securities. As at May 31, 2018 and November 30, 2017, the fair values of the short-term investments are as follows:

	May 31, 2018 $	November 30, 2017 $
Term deposits	17,000	-
Marketable securities	35	125
	17,035	125

Marketable securities consist of common shares of Opawica Explorations Inc. ("Opawica"), a company with directors in common with the Company.

A summary table of the Company's investment in Opawica marketable securities is as follows:

	Number of shares	Amount $
Balance, November 30, 2016	200,000	70,000
Proceeds on sale	(199,500)	(20,161)
Loss on sale	-	(49,664)
Unrealized loss	-	(50)
Balance, November 30, 2017	500	125
Unrealized loss	-	(90)
Balance, May 31, 2018	500	35

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Ballard Lake $	Norwalk $	Dill River $	Dog Lake $	Golden Reed $	South Wawa $	Total $
Balance at November 30, 2016	378,954	35,788	22,748	-	-	-	437,490
Exploration costs							
Administration	29,289	166,971	3,375	1,875	-	-	201,510
Community consultations	6,077	14,662	3,469	-	-	-	24,208
Drilling	2,432	167,320	-	-	-	-	169,752
Geological survey	-	1,200	-	-	-	-	1,200
Geophysical survey	-	163,362	-	-	-	-	163,362
Mapping	-	20,620	-	-	-	-	20,620
Reports	18,375	6,574	-	-	-	-	24,949
Sampling	-	69,782	-	-	-	-	69,782
Technical assessment	24,249	36,311	21,069	1,994	-	-	83,623
	80,422	646,802	27,913	3,869	-	-	759,006
Acquisition of property	76,774	22,060	16,000	115,000	43,000	-	272,834
Balance at November 30, 2017	536,150	704,650	66,661	118,869	43,000	-	1,469,330
Exploration costs							
Administration	1,950	37,903	1,950	2,450	2,450	1,250	47,953
Community consultations	-	2,500	-	-	-	-	2,500
Drilling	-	230,334	-	-	-	-	230,334
Line Cutting	-	12,150	-	-	-	-	12,150
Reports	-	1,350	-	-	-	-	1,350
Sampling	-	44,524	-	-	-	-	44,524
Technical assessment	-	9,515	357	-	-	-	9,872
	1,950	338,276	2,307	2,450	2,450	1,250	348,683
Acquisition of property	-	-	-	-	50,000	15,750	65,750
Balance at May 31, 2018	538,100	1,042,926	68,968	121,319	95,450	17,000	1,883,763

5. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

a) Ballard Lake Property (Wawa, Ontario)

On February 6, 2015, as amended March 25, 2015, the Company signed an Agreement (the "Property Agreement") with an arms-length vendor to acquire the Ballard Lake gold and diamond property located approximately 50 km northeast of Wawa, Ontario. Under the terms of the Property Agreement, the Company would acquire a 100% interest, subject to a 2% retained royalty, in the property and as consideration would issue 40,000 common shares of the Company to the vendor. The shares were issued on April 28, 2015 and had a fair value of $80,000.

On October 12, 2016, the Company signed an agreement with the vendor to pay a 2% retained royalty on any additional mineral claims staked on land that is contiguous to the property, and the Company shall have the right to repurchase 1% of the royalty on the property at any time for $1,000,000. Through staking, the Company has increased the Ballard Lake property's size to approximately 366 square kilometres.

b) Norwalk Property (Wawa, Ontario)

On September 20, 2016, the Company signed an option agreement (the "Option Agreement") to acquire a 100% interest, subject to a 2% retained royalty, in the Norwalk gold property located six kilometres south of the town of Wawa, Ontario. The Company may earn its interest in the property by paying an initial consideration of $5,000 (paid) and issuing 20,000 common shares of the Company (issued on October 5, 2016 with a fair value of $18,000) upon receipt of TSXV approval of the Option Agreement (the "Acceptance Date") (approved October 5, 2016); and making additional optional payments of

i. $15,000 (paid) and 10,000 common shares (issued on October 5, 2017 with a fair value of $6,000) on the first anniversary of the Acceptance Date;
ii. $25,000 and 100,000 common shares on the second anniversary of the Acceptance Date; and
iii. $45,000 and 100,000 common shares on the third anniversary of the Acceptance Date.

c) Dill River Property (Wawa, Ontario)

On September 23, 2016, the Company signed an option agreement (the "Option Agreement") to acquire a 100% interest, subject to a 2% retained royalty, in the Dill River gold property located seven kilometres east of the town of Wawa, Ontario. The Company may earn its interest in the property by paying an initial consideration of $3,000 (paid) and issuing 20,000 common shares of the Company (issued on October 5, 2016 with a fair value of $18,000) upon receipt of TSXV approval of the Option Agreement (the "Acceptance Date") (approved October 5, 2016); and making additional optional payments of

i. $10,000 (paid) and 10,000 common shares (issued on October 5, 2017 with a fair value of $6,000) on the first anniversary of the Acceptance Date;
ii. $17,000 and 100,000 common shares on the second anniversary of the Acceptance Date; and
iii. $20,000 and 100,000 common shares on the third anniversary of the Acceptance Date.

5. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

d) Dog Lake Property (Wawa, Ontario)

On June 8, 2017, the Company signed an Agreement with an arms-length vendor to acquire a 100% interest, subject to a 2% retained royalty, in the Dog Lake gold property located approximately 59 kilometres northeast of Wawa, Ontario in consideration of $10,000 (paid) and 150,000 common shares of the Company (issued on June 23, 2017 with a fair value of $105,000).

e) Golden Reed Mine Property (Wawa, Ontario)

On October 18, 2017, the Company signed an option agreement (the "Option Agreement") to acquire a 100% interest, subject to a 2% retained royalty, in the Golden Reed Mine gold property located approximately six kilometres southeast of the town of Wawa, Ontario. The Company shall have the right to purchase 1% of the royalty on the property at any time for $1,000,000. The Company exercised the option on January 31, 2018 and earned its interest in the property by paying an initial consideration of $3,000 (paid) and issuing 100,000 common shares of the Company (issued on November 14, 2017 with a fair value of $40,000) upon receipt of TSXV approval of the Option Agreement (the "Acceptance Date") (approved November 13, 2017); and making an additional optional payment of 100,000 common shares on or before the first anniversary of the Acceptance Date (issued on January 31, 2018 with a fair value of $50,000).

f) South Wawa Property (Wawa, Ontario)

On February 14, 2018, the Company signed an Agreement with an arms-length vendor to acquire a 100% interest in the South Wawa gold property located approximately 10 kilometres south of Wawa, Ontario in consideration of 35,000 common shares of the Company (issued on March 1, 2018 with a fair value of $15,750).

6. SHARE CAPITAL AND RESERVES

a) Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

The Company issued the following common shares during the six months ended May 31, 2018:

i) On December 22, 2017, the Company completed a non-brokered private placement consisting of 400,000 units priced at $0.50 for total proceeds of $200,000. Each unit consists of one common share and one share purchase warrant exercisable at a price of $0.50 for a one-year term.

6. SHARE CAPITAL AND RESERVES (CONTINUED)

ii) On December 29, 2017, the Company completed a non-brokered private placement consisting of 350,000 flow-through units priced at $0.50 for total proceeds of $175,000. Each flow-through unit consists of one flow-through common share and one half of a share purchase warrant, with each whole warrant exercisable into one further common share at a price of $0.60 for a one-year term. A 10% commission comprised of $2,000 cash and 4,000 common shares at $0.50 per share was paid on $40,000 of the private placement.

iii) On January 31, 2018, the Company issued 100,000 common shares with a fair value of $0.50 per share to exercise the Golden Reed Mine property option described in Note 5(e). The shares issued are subject to a hold period expiring June 1, 2018.

iv) On March 1, 2018, the Company issued 35,000 common shares with a fair value of $0.45 per share pursuant to the South Wawa property acquisition described in Note 5(f). The shares are subject to a hold period expiring July 2, 2018.

The Company issued the following common shares during the year ended November 30, 2017:

v) On March 17, 2017, the Company completed a non-brokered private placement consisting of 300 units at a price of $1,400 per unit for total proceeds of $420,000. Each unit consists of 1,000 flow-through common shares, 1,000 non flow-through common shares, and 2,000 share purchase warrants exercisable at a price of $1.00 for a two-year term. A 10% commission consisting of $8,610 cash and 12,300 common shares with a value of $0.70 per share was paid on $172,200 of the private placement.

vi) In March 2017, 3,350 share purchase warrants with an exercise price of $0.50 per share were exercised for gross proceeds of $1,675.

vii) In April 2017, 133,000 stock options with an exercise price of $1.00 per share were exercised for gross proceeds of $133,000.

viii) In May 2017, 24,750 share purchase warrants with an exercise price of $0.50 per share were exercised for gross proceeds of $12,375.

ix) In May 2017, 17,000 stock options with an exercise price of $1.00 per share were exercised for gross proceeds of $17,000.

x) On June 23, 2017, the Company issued 150,000 common shares with a fair value of $0.70 per share pursuant to the Dog Lake property acquisition described in Note 5(d).

xi) In June 2017, 100 stock options with an exercise price of $1.10 per share were exercised for gross proceeds of $110.

xii) On October 5, 2017, the Company issued 10,000 common shares with a fair value of $0.60 per share pursuant to the Norwalk property option described in Note 5(b).

xiii) On October 5, 2017, the Company issued 10,000 common shares with a fair value of $0.60 per share pursuant to the Dill River property option described in Note 5(c).

(Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES (CONTINUED)

xiv) On October 11, 2017, the Company completed the initial tranche of a non-brokered private placement consisting of 460,000 non flow-through units priced at $0.50 (the “NFT Units”) and 218,700 flow-through units priced at $0.70 (the “FT Units”) for total proceeds of $383,090. Each NFT Unit consists of one common share and one share purchase warrant (the “Warrant”) exercisable into one further common share at a price of $0.70 for a term of one year. Each FT Unit consists of one flow-through common share and one half of a share purchase warrant, with each whole Warrant exercisable into one further common share at a price of $0.70 for a term of one year. A 10% commission comprised of $2,500 cash and 5,000 common shares at $0.50 per share was paid on $50,000 of the placement. The Company recorded a flow-through premium liability of $43,740.

xv) On October 19, 2017, the Company completed the final tranche of a non-brokered private placement consisting of 110,000 flow-through units priced at $0.70 (the “FT Units”) for total proceeds of $77,000. Each FT Unit consists of one flow-through common share and one half of a share purchase warrant, with each whole Warrant exercisable into one further common share at a price of $0.70 for a term of one year. A 10% commission comprised of $2,100 cash and 3,000 common shares at $0.70 per share was paid on $42,000 of the private placement. The Company recorded a flow-through premium liability of $22,000.

xvi) On November 14, 2017, the Company issued 100,000 common shares with a fair value of $0.40 per share pursuant to the Golden Reed Mine property option described in Note 5(e).

b) Preferred Shares

The Company is authorized to issue an unlimited number of preferred shares. No preferred shares have been issued since the Company’s inception.

c) Contributed Surplus

	May 31, 2018 $	November 30, 2017 $
Fair value of warrants issued	284,725	284,725
Fair value of stock options granted or vested	1,406,276	1,276,910
Contributed surplus	1,691,001	1,561,635

(Expressed in Canadian Dollars)

d) Share Purchase Warrants

A summary of the Company's share purchase warrants at May 31, 2018 and November 30, 2017 and the changes for the years then ended is presented below:

	Number of Warrants	Weighted Average Exercise Price
Balance at November 30, 2016	188,739	$2.77
Issue of warrants	1,224,350	$0.85
Exercise of warrants	(28,100)	$0.50
Expiry of warrants	(76,689)	$5.00
Balance at November 30, 2017	1,308,300	$0.89
Issue of warrants	575,000	$0.53
Balance at May 31, 2018	1,883,300	$0.78

As at May 31, 2018, the Company had outstanding and exercisable warrants as follows:

Number of Warrants Outstanding and Exercisable May 31, 2018	November 30, 2017	Exercise Price per Share	Expiry Date
569,350	569,350	$0.70	October 11, 2018
55,000	55,000	$0.70	October 19, 2018
400,000	-	$0.50	December 22, 2018
15,050	15,050	$6.00	December 27, 2018
175,000	-	$0.60	December 29, 2018
600,000	600,000	$1.00	March 17, 2019
68,900	68,900	$0.50	May 16, 2021
1,883,300	1,308,300	$0.78	

7. SHARE-BASED PAYMENTS

a) Option Plan Details

The Company has an incentive Stock Option Plan ("the Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company. The Plan was approved by the Board on March 21, 2011, was approved by the Company's shareholders on April 29, 2011, and came into effect on August 5, 2011 upon acceptance by the TSXV of the Company's listing application and commencement of trading on the TSXV. The Plan provides for the issuance of options to acquire shares of the Company up to 10% of the then issued and outstanding shares of the Company. It incorporates the new TSXV option plan policies effective December 15, 2008, as well as provisions concerning the new requirements of the Canada Revenue Agency concerning withholding tax payments on exercised options, and provisions to accommodate electronic trading and the issuance of uncertificated shares.

(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS (CONTINUED)

A summary of the Company's stock options at May 31, 2018 and November 30, 2017 and the changes for the years then ended is presented below:

	May 31, 2018		November 30, 2017	
	Options Outstanding	Weighted Average Exercise Price	Options Outstanding	Weighted Average Exercise Price
Opening balance	240,800	$1.17	152,800	$1.17
Granted	405,000	$0.50	303,000	$1.06
Exercised	-	-	(150,100)	$1.00
Forfeited	-	-	(20,000)	$1.00
Cancelled	(221,800)	$1.08	(44,900)	$1.10
Ending balance	424,000	$0.52	240,800	$1.17

In May 2018, 52,800 stock options with an exercise price of $1.50 per share expired unexercised.

In March 2018, the Company granted 250,000 stock options with an exercise price of $0.50 per share expiring March 7, 2020 to consultants and a director.

In February 2018, the Company cancelled 15,000 stock options with an exercise price of $1.00 per share expiring October 20, 2018, 15,000 stock options with an exercise price of $1.00 per share expiring April 13, 2019, and 139,000 stock options with an exercise price of $1.10 per share expiring May 17, 2019, all to consultants. The Company repriced 80,000 stock options with an exercise price of $0.50 per share expiring February 14, 2020 to these consultants. All options vested immediately.

In February 2018, the Company granted 75,000 stock options with an exercise price of $0.50 per share expiring February 14, 2020 to consultants. All options vested immediately.

In January 2017, the Company granted 20,000 stock options with an exercise price of $1.00 per share expiring January 20, 2018 to a consultant conducting investor relations activities. These options were to vest over a period of 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting. On March 21, 2017, the investor relations contract was terminated and the 20,000 unvested options were forfeited.

In April 2017, the Company granted 115,000 stock options with an exercise price of $1.00 per share expiring April 13, 2019 to consultants. All options vested immediately.

In May 2017, the Company granted 168,000 stock options with an exercise price of $1.10 per share expiring May 17, 2019 to consultants. All options vested immediately.

(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS (CONTINUED)

During the year ended November 30, 2017, 150,000 stock options with an exercise price of $1.00 were exercised for gross proceeds of $150,000 and 100 stock options with an exercise price of $1.10 were exercised for gross proceeds of $110.

During the year ended November 30, 2017, 16,000 stock options with an exercise price of $1.00 per share and 28,900 stock options with an exercise price of $1.10 per share were cancelled.

Details of stock options outstanding and exercisable as at May 31, 2018 and November 30, 2017 are as follows:

Expiry Date	Exercise Price	May 31, 2018	November 30, 2017
May 16, 2018	$1.50	-	52,800
October 20, 2018	$1.00	10,000	25,000
April 13, 2019	$1.00	9,000	24,000
May 17, 2019	$1.10	-	139,000
February 14, 2020	$0.50	155,000	-
March 7, 2020	$0.50	250,000	-
		424,000	240,800

The weighted average remaining contractual life of stock options outstanding at May 31, 2018 was 1.70 years (November 30, 2017: 1.17 years).

b) Fair Value of Options Issued During the Year

The weighted average fair value at grant date of options granted during the period ended May 31, 2018 was $0.319 per option (2017: $0.884). The fair value was determined using the Black-Scholes option-pricing model using the following assumptions:

	2018	2017
Expected stock price volatility	157% - 164%	205% - 222%
Risk-free interest rate	1.78% - 1.82%	0.76%
Dividend yield	-	-
Expected life of options	2 years	2 years
Stock price on date of grant	$0.40 - $0.50	$1.00 - $1.05
Forfeiture rate	-	-

8. NATURE OF INCOME AND EXPENSES

	2018 $	2017 $
Other income and expenses include:		
Loss on foreign exchange	(60)	(71)
Interest income	298	347
Unrealized loss on short-term investments	(90)	(20,000)
	148	(19,724)

(Expressed in Canadian Dollars)

8. NATURE OF INCOME AND EXPENSES (CONTINUED)

	2018 $	2017 $
Employee costs include:		
Consulting fees	121,256	111,760
Management fees	5,400	4,310
Salaries and benefits	19,758	19,100
Share-based payments	93,413	60,920
	239,827	196,090
Finance recovery includes:		
Part XII.6 tax	(10)	-
	(10)	-
General and administrative expense include:		
Accounting and audit fees	1,038	7,160
Filing fees	12,985	10,638
Investor communications	2,400	33,230
Legal fees	4,767	4,852
Office expenses	18,940	32,720
Transfer agent	3,632	3,775
Travel and automobile	16,808	22,874
	60,570	115,249

9. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

a) Office Expenses

Office expenses of $5,702 (2017: $3,901) were charged by a company with common directors that is a co-tenant to the Company's office premises sublease. At May 31, 2018, $3,130 (November 30, 2017: $143) in amounts owing to the co-tenant were included in due to related parties.

b) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company. Key management personnel compensation is comprised of the following:

	2018 $	2017 $
Short-term employee benefits and director fees	46,633	53,180
	46,633	53,180

9. RELATED PARTY TRANSACTIONS (CONTINUED)

Due to related parties at May 31, 2018 includes $3,390 (November 30, 2017: $14,765) in amounts owing to directors, officers, companies with common directors, and shareholders who hold greater than a 10% interest in the Company for unpaid project management services, consulting fees and expenses.

c) Consulting Agreement

The Company has entered into a Consulting Agreement (the "Agreement") with a corporate consultant (the "Consultant") effective December 1, 2016 for a minimum twelve month term ending November 30, 2017, and thereafter to continue on a monthly basis until terminated by either party. As compensation for the services to be provided, the Consultant will receive a monthly fee and/or expenses of $10,000. The Consultant held beneficial ownership of over 10% of the common shares of the Company from December 5, 2017 to April 18, 2018. During the period ended May 31, 2018, the Company paid $48,117 in fees and expenses to the Consultant while he held beneficial ownership of over 10% of the common shares of the Company.

10. COMMITMENTS

i) In relation to the March 2017 flow-through financing described in Note 6(a)(v), the Company was committed to incur $209,994 in Canadian exploration expenditures by December 31, 2018 under the Canada Revenue Agency's look-back rule. The Company completed the qualifying exploration expenditures during the year ended November 30, 2017.

ii) In relation to the October 2017 flow-through financing described in Notes 6(a)(xiv) and 6(a)(xv), the Company was committed to incur $230,057 in Canadian exploration expenditures by December 31, 2018 under the Canada Revenue Agency's look-back rule. The Company completed the qualifying exploration expenditures during the year ended November 30, 2017.

iii) In relation to the December 2017 flow-through financing described in Note 6(a)(ii), the Company was committed to incur $174,965 in Canadian exploration expenditures by December 31, 2018 under the Canada Revenue Agency's look-back rule. The Company completed the qualifying exploration expenditures during the period ended May 31, 2018.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair values

The Company's financial instruments include cash, term deposits, short-term investments, amounts receivable, trade and other payables, and amounts due to related parties. The fair value of these financial instruments approximates their carrying values due to the relative short-term maturity of these instruments.

The following table summarizes information regarding the carrying and fair values of the Company's financial instruments:

(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

	May 31, 2018		November 30, 2017	
	Fair Value $	**Carrying Value** $	**Fair Value** $	**Carrying Value** $
FVTPL assets (i)	20,504	20,504	45,707	45,707

(i) Cash and short-term investments

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3 - Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

As at May 31, 2018	Level 1 $	Level 2 $	Level 3 $	Total $
Cash	3,469	-	-	3,469
Short-term investments	17,035	-	-	17,035

There were no transfers from Level 1 to Levels 2 or 3 and there were no transfers from Levels 2 or 3 to Level 1 during the period ended May 31, 2018 and year ended November 30, 2017.

The Company believes the recorded values of all other financial instruments approximate their current fair values because of their nature and respective maturity dates.

The Company's financial instruments are exposed to certain financial risks: credit risk, liquidity risk, market risk and currency risk.

Credit risk

Credit risk is the risk of an unexpected loss associated with counterparty's inability to fulfil its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash and amounts receivable. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk the Company only holds its cash with high credit chartered Canadian financial institutions. As at May 31, 2018, the Company has no financial assets that are past due or impaired due to credit risk defaults.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its accounts payable and amounts due to related parties. The Company handles its liquidity risk through the management of its capital structure as described in Note 12. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms.

The following are the contractual maturities of financial liabilities as at May 31, 2018:

	Carrying Amount $	Contractual Cash Flows $	Within 1 year $	Within 2 years $	Within 3 years $	Over 3 years $
Trade payables	250,886	250,886	250,886	-	-	-
Due to related parties	6,520	6,520	6,520	-	-	-
Total	257,406	257,406	257,406	-	-	-

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no fluctuating interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in gold and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currencies. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The Company's Guyana subsidiary is exposed to currency risk as it incurs expenditures that are denominated in US dollars while its functional currency is the Canadian dollar.

12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can support continued development of its exploration and evaluation assets, pursue the acquisition and exploration of other mineral interests, and to maintain a flexible capital structure for its projects for the benefit of its shareholders and other stakeholders. The Company is not exposed to externally imposed capital requirements.

(Expressed in Canadian Dollars)

12. CAPITAL MANAGEMENT (CONTINUED)

The Company considers items included in equity to be capital. 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. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, option its properties for cash from optionees, enter into joint venture arrangements, return capital to its shareholders or adjust the amount of cash.

13. NON-CASH TRANSACTIONS

Non-cash Financing and Investing Activities	**2018** **$**	**2017** **$**
Shares issued for mineral properties	65,750	-
Shares issued for finder's fees	2,000	8,610
Share-based payments capitalized to mineral properties	35,953	189,374

14. SUBSEQUENT EVENTS

a) Share Consolidation

On June 20, 2018, the Company consolidated its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares then issued and outstanding (the "Share Consolidation"). As a result of the Share Consolidation, the number of shares, warrants and options presented in these financial statements and the calculated weighted average number of common shares issued and outstanding for the purpose of earnings per share calculation are based on the post-consolidation shares for all historic years presented.

b) Demand Loans

In June 2018, the Company received two unsecured demand loans totalling $172,000 from two arm's length parties, bearing interest at 10% per annum.