ALTAIR RESOURCES INC.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
MARCH 31, 2019 AND 2018

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Altair Resources Inc.,

Opinion

We have audited the consolidated financial statements of Altair Resources Inc. (the "Company"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company incurred a net loss of $2,069,481 for the year ended March 31, 2019 and has a deficit of $19,777,725 as at March 31, 2019. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the Company for the year ended March 31, 2018 were audited by another auditor who expressed an unmodified opinion on those financial statements on July 27, 2018.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Otto Ehinger.

DMCL.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
July 26, 2019

ALTAIR RESOURCES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	March 31, 2019 $	March 31, 2018 $
ASSETS			
Current assets			
Cash		25,131	125,261
Amounts receivable		-	5,599
GST receivable		2,667	4,407
Prepaid expenses		6,038	16,267
Total current assets		33,836	151,534
Non-current assets			
Property, plant and equipment	4	15,307	21,493
Exploration and evaluation assets	5	566,936	1,253,456
Total non-current assets		582,243	1,274,949
TOTAL ASSETS		616,079	1,426,483
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5(a), 7	1,198,938	387,396
Advances payable	5(a)	59,432	-
TOTAL LIABILITIES		1,258,370	387,396
SHAREHOLDERS' EQUITY			
Share capital	6	15,204,953	15,179,953
Share subscriptions received	6(c)	336,367	-
Share-based payments reserve		3,594,114	3,567,378
Deficit		(19,777,725)	(17,708,244)
TOTAL SHAREHOLDERS' (DEFICIENCY) EQUITY		(642,291)	1,039,087
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		616,079	1,426,483

Nature of Operations and Going Concern - see Note 1

Events after the Reporting Period - see Notes 5(a), 6(c) and 12

These consolidated financial statements were approved for issue by the Board of Directors on July 26, 2019 and are signed on its behalf by:

/s/ Roy Shipes	*/s/ Bruce Reid*
Roy Shipes	Bruce Reid
Director	Director

ALTAIR RESOURCES INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Note	Year Ended March 31, 2019 $	Year Ended March 31, 2018 $
Expenses			
Accounting and administration	7(b)	48,877	94,627
Audit		26,750	20,910
Bank charge and interest expense		4,085	3,860
Consulting and professional		145,000	96,755
Corporate development		9,217	30,279
Depreciation	4	6,186	4,506
Director and officer compensation	7(a)	353,351	341,676
Due diligence		-	41,680
Equipment rental		3,879	59,485
Investor relations		-	9,000
Legal		60,425	150,138
Office and miscellaneous		33,467	127,417
Personnel		163,773	356,192
Regulatory and transfer agent fees		21,920	21,691
Rent		34,370	47,414
Repairs and maintenance		-	21,111
Share-based compensation	6(e)	26,736	503,032
Shareholder costs		3,514	5,867
Travel, accommodation and meals		140,115	433,093
Vehicle rentals and maintenance		5,981	9,180
Website and internet		16,427	21,320
		1,104,073	2,399,233
Loss before other items		(1,104,073)	(2,399,233)
Other items			
Reversal of previous years' expenses		49,623	130,866
Interest and miscellaneous income		299	24,848
Foreign exchange gain (loss)		20,357	(31,683)
Loss on abandonment and impairment of exploration and evaluation assets	5	(1,035,687)	(2,321,076)
		(965,408)	(2,197,045)
Net loss and comprehensive loss for the year		(2,069,481)	(4,596,278)
Basic and diluted loss per common share		$(0.17)	$(0.38)
Weighted average number of common shares outstanding		12,481,811	12,249,403

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

ALTAIR RESOURCES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Year Ended March 31, 2019					
	Share Capital					
	Number of Shares*	Amount $	Share Subscriptions Received $	Share-based Payments Reserve $	Deficit $	Total Equity $
Balance at March 31, 2018	12,465,373	15,179,953	-	3,567,378	(17,708,244)	1,039,087
Private placement	500,000	25,000	336,367	-	-	361,367
Share-based compensation	-	-	-	26,736	-	26,736
Net loss for the year	-	-	-	-	(2,069,481)	(2,069,481)
Balance at March 31, 2019	12,965,373	15,204,953	336,367	3,594,114	(19,777,725)	(642,291)

	Year Ended March 31, 2018					
	Share Capital					
	Number of Shares*	Amount $	Share Subscriptions Received $	Share-based Payments Reserve $	Deficit $	Total Equity $
Balance at March 31, 2017	8,020,373	12,189,341	250,000	2,754,418	(13,111,966)	2,081,793
Common shares issued for:						
Private placement	4,375,000	3,500,000	(250,000)	-	-	3,250,000
Finders' fees	70,000	56,000	-	-	-	56,000
Share issue costs	-	(565,388)	-	309,928	-	(255,460)
Share-based compensation	-	-	-	503,032	-	503,032
Net loss for the year	-	-	-	-	(4,596,278)	(4,596,278)
Balance at March 31, 2018	12,465,373	15,179,953	-	3,567,378	(17,708,244)	1,039,087

* The share numbers have been adjusted to reflect a consolidation of the Company's share capital on a one new common share for four old common shares basis effective September 28, 2018. See Note 6(b).

ALTAIR RESOURCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year Ended March 31, 2019 $	Year Ended March 31, 2018 $
Operating activities		
Net loss for the year	(2,069,481)	(4,596,278)
Adjustments for:		
Depreciation	6,186	4,506
Share-based compensation	26,736	503,032
Loss on abandonment and impairment of exploration and evaluation assets	1,035,687	2,321,076
Reversal of previous years' expenses	(49,623)	(130,866)
Changes in non-cash working capital items:		
Amounts receivable	5,599	(1,366)
GST receivable	1,740	5,843
Prepaid expenses	10,229	2,366
Accounts payable and accrued liabilities	558,042	(59,269)
Net cash used in operating activities	(474,885)	(1,950,956)
Investing activities		
Exploration and evaluation asset expenditures	(46,044)	(1,289,647)
Purchase of equipment	-	(25,999)
Net cash used in investing activities	(46,044)	(1,315,646)
Financing activities		
Issuance of common shares	25,000	3,250,000
Share subscriptions received	336,367	-
Share issue costs	-	(199,460)
Advances received	59,432	-
Net cash provided by financing activities	420,799	3,050,540
Net change in cash	(100,130)	(216,062)
Cash at beginning of year	125,261	341,323
Cash at end of year	25,131	125,261

Supplemental cash flow information - Note 11

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

1. Nature of Operations and Going Concern

Altair Resources Inc. (the "Company") was incorporated under the provisions of the Company Act (British Columbia) on November 17, 2005. The Company is a publicly listed company with its common shares listed on the TSX Venture Exchange ("TSXV") under the symbol "AVX" and the Frankfurt Exchange under the symbol "90A". The Company's head office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, Canada.

The Company has a history of losses with no operating revenue and, during fiscal 2019, incurred a loss of $2,069,481 and, as at March 31, 2019, has a working capital deficiency of $1,224,534 and an accumulated deficit of $19,777,725. On June 21, 2019 the Company completed the disposition of its remaining significant mineral property interest, as described in Note 5(a), As a result, the Company as of that date, has no significant assets and is dependent on raising additional capital. Further funds will be required to fund existing levels of operations and administration, retire its indebtedness as they come due and conduct due diligence on identifying and evaluating potential mineral interest acquisitions or other business opportunities. The Company will need to raise additional capital from the sale of common shares or other equity or debt instruments. While the Company has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. Realization values may be substantially different from carrying values as shown and these consolidated financial statements do not give effect to the adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to identify, acquire and develop properties and to establish future profitable production.

See also Note 12.

2. Basis of Preparation

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

Basis of Measurement

The Company's consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The consolidated financial statements are presented in Canadian Dollars unless otherwise stated.

Details of the Group

In addition to the Company, the consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases. As at March 31, 2019 the subsidiaries of the Company were:

2. Basis of Preparation (continued)

Company	Location of Incorporation	Ownership Interest
Altair Mining Inc. ("Altair USA") (Note 5(a))	USA	100%
Minera Panamericana S.A.C ("Panamericana")	Peru	100%
Epic Mining Corp. ("Epic") (inactive)	Canada	100%
Minera Altair, S.A. de C.V. (inactive)	Mexico	100%
A.GJ.A. SH.P.K. ("AGJA") (inactive)	Kosovo	90%

3. Summary of Significant Accounting Policies

Critical Judgments and Sources of Estimation Uncertainty

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

(i) The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

(ii) Management is required to assess the functional currency of each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

(iii) Management is required to assess impairment in respect of intangible exploration and evaluation assets. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a proportion of projects are ultimately successful and some assets are likely to become impaired in future periods.

(iv) Although the Company takes steps to verify title to exploration and evaluation assets 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.

(v) The assessment of the probability of future taxable income in which deferred tax assets can be utilized is based on the Company's estimate of future profits or losses adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the jurisdictions in which the Company operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full. The recognition of deferred tax assets that are subject to certain legal or

3. Summary of Significant Accounting Policies (continued)

economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. Details of these can be found in Note 8.

(vi) As disclosed in Note 1 management is required to assess whether the Company will continue as a going concern and whether it will be able to realize assets and discharge liabilities in the normal course of business.

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 a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(i) The cost estimates are updated periodically during the life of a mine to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations), and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. As at March 31, 2019 and 2018, there were no decommissioning liabilities.

(ii) The assessment of any impairment of exploration and evaluation assets and property, plant and equipment is dependent upon estimates of the recoverable amounts that take into account factors such as reserves, economic and market conditions and the useful lives of assets. In fiscal 2019 management determined to record impairment provision of $834,000 on the Pioche Project and $201,687 on abandonment of the Lejin Property. In fiscal 2018 management determined to record a loss on abandonment of $882,478 on the Cerpulje Project and an impairment of $1,438,598 on the Quebec Properties.

Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Company is not exposed to significant credit or interest rate risk although cash is held in excess of federally insured limits with a major financial institution. As at March 31, 2019 and 2018 the Company did not have any cash equivalents.

Amounts Receivable

Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Receivables are classified as loans and receivables. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Accounts Payable and Accrued Liabilities

Payables are obligations to pay for materials or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Payables are classified as other financial liabilities initially at fair value and subsequently measured at amortized cost using the effective interest method.

3. Summary of Significant Accounting Policies (continued)

Exploration and Evaluation Assets

The Company follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral properties and crediting all proceeds received against the cost of the related properties. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment, or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farm out of the property result in a revised estimate of the recoverable amount, but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditures are not expected to be recovered, they are charged to the results of operations.

Property, Plant and Equipment

Property, plant and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the consolidated statement of comprehensive income or loss.

Where an item of plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of plant and equipment. Expenditures incurred to replace a component of an item of plant and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized. Property, plant and equipment are depreciated annually on a straight-line basis over the estimated useful life of the assets at a rate 20% for office furniture and equipment and 25% for vehicles.

Depreciation of assets commence when the plant and equipment are available for use and in the condition necessary for them to be operating in the manner intended by management. The Company compares the carrying value of property, plant and equipment to estimated net recoverable amounts, based on estimated future cash flows, to determine whether there is any indication of impairment whenever events or circumstances warrant.

3. Summary of Significant Accounting Policies (continued)

Impairment of Assets

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is determined as the price that would be received to sell an asset in an orderly transaction between market participants. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Decommissioning Provision

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral interest by or on behalf of the Company. Costs for restoration of site damage which is created on an ongoing basis during exploration and evaluation are provided for at their net present values and charged against profits in the period such exploration and evaluation occurs. Discount rates using a risk-free rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. As at March 31, 2019 and 2018 the Company does not have any decommissioning obligations.

Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires. All recognized financial assets are measured subsequently at amortized cost or fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVTOCI").

The Company classifies its financial instruments into the following categories:

(i) Financial assets at FVTPL: A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short-term. Derivatives are also included in this category unless they are designated as hedges. Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the consolidated statement of operations. Gains and losses arising from changes in fair value are presented in the consolidated statement of operations within "other gains and losses" in the period in which they arise.

3. Summary of Significant Accounting Policies (continued)

(ii) Financial assets at FVTOCI: The Company has made an irrevocable election to designate its investments in marketable equity securities as classified at fair value through other comprehensive income. Investment transactions are recognized on the trade date with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the balance sheet date. When investments in marketable equity securities are disposed of or impaired, the cumulative gains and losses recognized in other comprehensive income are not recycled to profit and loss and remain within equity.

(iii) Financial assets and liabilities at amortized cost: Financial assets and liabilities at amortized cost include cash, trade receivables, credit facility and trade payables and are included in current classification due to their short-term nature. Trade receivables and payables are non-interest bearing if paid when due and are recognized at their face amount, less, when material, a discount, except when fair value is materially different. Amounts drawn on the credit facility are interest bearing and are recorded at fair value upon inception. These are subsequently measured at amortized cost.

Share Capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

Equity Financing

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. Units typically comprise a certain number of common shares and share purchase warrants. Depending on the terms and conditions of each equity financing transaction, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the terms of the transaction. The Company has adopted the residual value method with respect to the allocation of proceeds received on sale of units to the underlying common shares and share purchase warrants issued as private placement units. The fair value of the common shares issued in private placements is determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached share purchase warrants.

Share-Based Payment Transactions

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of share options granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

For employees the fair value is measured at grant date and each tranche is recognized separately on a straight line basis over the period during which the share options vest. The fair value of the share options granted is measured using the Black-Scholes Option Pricing Model taking into account the terms and conditions upon which the share options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

Current and Deferred Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in the consolidated statement of comprehensive loss, except to the extent that it relates to items recognized in other comprehensive loss or directly in equity. In this case the income tax is also recognized in other comprehensive loss or directly in equity, respectively.

3. Summary of Significant Accounting Policies (continued)

Current Income Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Income Tax

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Loss Per Share

Basic loss per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

Foreign Currency Translation

Functional and Presentation Currency

The financial statements of each of the Company's subsidiaries are prepared in the local currency of their home jurisdictions. Consolidation of each subsidiary includes re-measurement from the local currency to the subsidiary's functional currency. Each subsidiary's functional currency, being the currency of the primary economic environment in which the subsidiary operates, is the Canadian dollar. The consolidated financial statements are presented in Canadian dollars.

Exchange rates published by the Bank of Canada were used to translate subsidiary financial statements into the consolidated financial statements. Income and expenses for each statement of comprehensive loss presented are translated using the rates prevailing on the transaction dates. All resulting foreign exchange differences are recognized in comprehensive loss.

3. Summary of Significant Accounting Policies (continued)

Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in comprehensive loss.

Adoption of New Accounting Standards

The Company adopted IFRS 9 - *Financial instruments* ("IFRS 9") and IFRS 15 - *Revenue from Contracts with Customers* ("IFRS 15") effective April 1, 2018.

(i) IFRS 9 - This new accounting pronouncement, which is effective for periods beginning on or after January 1, 2018, establishes two primary measurement categories for financial assets amortized cost and fair value; establishes criteria for classification of financial assets within the measurement category based on business model and cash flow characteristics and eliminates existing held-to-maturity, available-for-sale and loans and receivable categories.

There was no significant impact on the Company's consolidated financial statements upon the adoption of this new standard.

(ii) IFRS 15 - This new accounting pronouncement, which is effective for periods beginning on or after January 1, 2018, establishes principles for reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

There was no significant impact on the Company's consolidated financial statements upon the adoption of this new standard.

Accounting Standards and Interpretations Issued but Not Yet Effective

As at the date of these consolidated financial statements, the following standards have not been applied in these financial statements:

(i) IFRS 16, *Leases*, specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019. Management is currently assessing the impact of this new standard on the Company's accounting policies and consolidated financial statement presentation.

(Expressed in Canadian Dollars)

4. Property, Plant and Equipment

	Office Furniture and Equipment $	Vehicle $	Total $
Cost:			
Balance at March 31, 2017	-	-	-
Additions	8,868	17,131	25,999
Balance at March 31, 2018 and 2019	8,868	17,131	25,999
Accumulated Depreciation:			
Balance at March 31, 2017	-	-	-
Depreciation	(1,115)	(3,391)	(4,506)
Balance at March 31, 2018	(1,115)	(3,391)	(4,506)
Depreciation	(1,904)	(4,282)	(6,186)
Balance at March 31, 2019	(3,019)	(7,673)	(10,692)
Carrying Value:			
Balance at March 31, 2018	7,753	13,740	21,493
Balance at March 31, 2019	5,849	9,458	15,307

See also Note 5(a).

5. Exploration and Evaluation Assets

	March 31, 2019			March 31, 2018		
Property	**Acquisition Costs $**	**Deferred Exploration Costs $**	**Total $**	**Acquisition Costs $**	**Deferred Exploration Costs $**	**Total $**
Pioche Project	566,935	-	566,935	794,464	284,852	1,079,316
Lejin Property	-	-	-	174,139	-	174,139
Quebec Properties	1	-	1	1	-	1
	566,936	-	566,936	968,604	284,852	1,253,456

(Expressed in Canadian Dollars)

5. **Exploration and Evaluation Assets** (continued)

	Pioche Project $	Lejin Property $	Quebec Properties $	Cerpulje Project $	Total $
Balance at March 31, 2017	80,328	163,117	1,438,599	571,471	2,253,515
Exploration costs					
Assay	397	-	-	26,790	27,187
Consulting	217,071	-	-	29,600	246,671
Drilling	-	-	-	124,365	124,365
Field supplies	-	-	-	2,626	2,626
Geological	-	-	-	109,968	109,968
Metallurgical	67,384	-	-	-	67,384
Miscellaneous	-	-	-	5,986	5,986
	284,852	-	-	299,335	584,187
Acquisition costs					
Cash payments	639,727	-	-	-	639,727
Concession payments	74,409	11,022	-	11,672	97,103
	714,136	11,022	-	11,672	736,830
Loss on abandonment/impairment	-	-	(1,438,598)	(882,478)	(2,321,076)
Balance at March 31, 2018	1,079,316	174,139	1	-	1,253,456
Exploration costs					
Assay	211	-	-	-	211
Consulting	2,707	-	-	-	2,707
Metallurgical	303,041	-	-	-	303,041
	305,959	-	-	-	305,959
Acquisition costs					
Concession payments	15,660	27,548	-	-	43,208
Loss on abandonment/impairment	(834,000)	(201,687)	-	-	(1,035,687)
Balance at March 31, 2019	566,935	-	1	-	566,936

(a) ***Pioche Project, Nevada***

Through its wholly-owned subsidiary, Altair USA, the Company has entered into numerous agreements under which it has acquired or agreed to acquire a significant position in mineral leases, plant facilities and former operating mines in the Pioche, Caselton and Comet Mining Districts of Lincoln County, Nevada (the "Pioche Project"). The agreements comprising the Pioche Project are as follows:

(i) On April 4, 2017, as amended, the Company entered into an asset purchase agreement (the "Asset Purchase Agreement") to acquire the assets comprising the Pan American Zinc Mine and the Caselton Concentrator located in the Comet and Caselton Mining Districts of Lincoln County near Pioche, Nevada, USA. The Company had agreed to a purchase price of US $1,425,000, of which $221,965 (US $165,000) was paid as at March 31, 2019. The remaining balance owing was scheduled to be paid in staged amounts, with a payment of US $60,000 on December 1, 2017 (unpaid) and, thereafter, to be paid in quarterly installments of US $100,000 beginning January 1, 2018 (unpaid) and bearing simple interest at 5% per annum until paid in full. The Company was aware that there is uncertainty over the surface rights under the Caselton Concentrator. The Company had filed a quiet title action over the surface rights and advised the vendor that it would not make any further payments or proceed to close the Asset Purchase Agreement until the quiet title issue was resolved.

5. Exploration and Evaluation Assets (continued)

(ii) On May 17, 2017 the Company entered into an assignment and assumption agreement (the "Prince Assignment") of the lease and option to purchase agreement (the "Prince Option") over the Prince Mine, located in Pioche Mining District, Lincoln County, Nevada, USA. The Prince Option, dated November 6, 2010, was originally held by International Silver Inc. ("ISI"), a public Arizona corporation and Prince Mine LLC ("Prince"), a private Nevada corporation. Under the Prince Option, ISI leased the Prince Mine at a cost of US $50,000 per year with an option to purchase the Prince Mine for US $2,750,000. Under the terms of the Prince Assignment the Company paid Prince US $200,000, representing unpaid lease payments, and the Prince Option was assigned to the Company and extended to November 1, 2022. The Prince Option continues in effect with annual lease payments of US $50,000 (US $50,000 paid as at March 31, 2019).

Effective September 5, 2018 the Company entered into a letter of intent (the "Prince LOI") with ISI to form a joint venture (the "Prince Joint Venture"), whereby ISI would earn a 50% interest in the Prince Option by assuming all costs of the next drilling campaign of the Prince Mine and a subsequent NI 43-101 Report followed by a preliminary economic assessment. Following completion of this work, each partner would assume the costs of subsequent work. Annual lease payments would be shared by both companies in accordance with their proportional share of the Prince Joint Venture. ISI would act as the operator of the Prince Joint Venture. Closing of the Prince Joint Venture was subject to completion of a definitive agreement and approval of the TSXV. The agreement to form the Prince Joint Venture was not consummated during fiscal 2019.

During fiscal 2019 ISI provided $59,432 to Altair USA for working capital purposes. The advances are non-interest bearing and without terms of repayment.

The Company's President and CEO is a director, officer and shareholder of ISI.

(iii) On June 15, 2017 the Company signed an agreement and purchased five mining claims (the "Comet Claims") in the Comet Mining District in Lincoln County, Nevada, USA, for a purchase price of US $50,000.

(iv) On August 12, 2017 the Company entered into an asset purchase agreement (the "Atlas Asset Purchase Agreement") with Atlas Precious Metals Inc. ("Atlas") to acquire the assets comprising a solvent extraction plant (the "S/X Plant"). Pursuant to the terms of the Atlas Asset Purchase Agreement the Company had agreed to acquire the S/X Plant in consideration for the Company making payments of: (i) US $150,000 cash (US $80,000 paid as at March 31, 2019) and; (ii) US $270,000 payable by issuance of the Company's common shares (the "Consideration Shares") at a value of $1.60 per Consideration Share.

The Company's President and CEO, is a director, officer and shareholder of Atlas.

(v) On March 27, 2018, the Company entered into an asset purchase agreement (the "Electrowinning Cells Asset Purchase Agreement") with the Company's President and CEO, pursuant to which the Company had agreed to purchase 16 electrowinning cells for the electrowinning of electro-manganese dioxide for US $80,000, payable by issuance of 516,400 common shares of the Company at a value of $0.20 per share.

On February 21, 2019 the Company entered into an agreement (the "Altair USA Disposition") with ISI to sell all the shares of Altair USA to ISI. Under the terms of the agreement the Company would receive the following consideration:

(i) $237,537 of unpaid salaries owing to the Company's President to be assigned and assumed by ISI;
(ii) issuance of 5,000,000 common shares of ISI; and
(iii) 2% net smelter royalty on production from the Pioche Project.

5. Exploration and Evaluation Assets (continued)

Altair USA holds the Company's interests pursuant to the Asset Purchase Agreement, the Prince Assignment and the Prince Joint Venture, and the Comet Claims. All other prior agreements and arrangements, including the Atlas Asset Purchase Agreement, Prince LOI and Electrowinning Cells Purchase Agreement have been terminated. In addition, as at March 31, 2019, Altair USA had recorded property, plant and equipment with a net carrying value of $15,307 and accounts payable and accrued liabilities of approximately $295,212 which will be eliminated on the closing of the Altair USA Disposition.

Closing of the Altair USA Disposition was subject to Company obtaining shareholder and TSXV approvals to the proposed transactions. On April 12, 2019 the Company received shareholder approval. TSXV approval was received on May 7, 2019 and the Altair USA Disposition closed on June 21, 2019.

During fiscal 2019 management determined to record an impairment provision of $834,000 on the Pioche Project.

(b) ***Lejin Property, Peru***

On May 24, 2016, as amended, the Company signed an agreement to acquire all of the issued and outstanding common shares of Epic. On October 5, 2016 the Company received TSXV approval and the Company subsequently completed the acquisition by paying $50,000 cash and issuing 125,000 common shares of the Company at a fair value of $92,500. The Company also paid a finder's fee by issuing 13,726 common shares at a fair value of $10,157.

Epic beneficially owns 100% of Panamericana which holds 100% of the rights, title and interest in the Lejin Property located in Peru.

Management has determined to abandon the Lejin Property and, accordingly, on March 31, 2019 recorded an impairment provision of $201,687 for all costs incurred.

(c) ***Quebec Properties***

During fiscal 2017 the Company acquired mineral resource properties (the "Quebec Properties") located in the Abitibi area of the province of Quebec, as follows:

(i) *White Hills Property*

On May 4, 2016 the Company signed a purchase agreement to acquire 77 contiguous mineral claims (the "White Hills Property"). On May 26, 2016 the Company completed the purchase by paying $10,000 cash and issued 250,000 common shares at a fair value of $610,000. The Company also paid a finder's fee by issuance of 22,959 common shares at a fair value of $56,020.

(ii) *Kino Property, Quebec*

On May 17, 2016 the Company signed a purchase agreement to acquire 40 contiguous mineral claims (the "Kino Property"). On June 9, 2016 the Company completed the purchase by paying $10,000 cash and issued 75,000 common shares at a fair value of $126,000. The Company also paid a finder's fee by issuance of 7,500 common shares at a fair value of $12,600.

(iii) *Mathers Property, Quebec*

On June 7, 2016 the Company signed a purchase agreement to acquire 213 contiguous mineral claims (the "Mathers Property"). On June 27, 2016 the Company completed the purchase by paying $30,000 cash and issued 125,000 common shares at a fair value of $150,000. The Company also paid a finder's fee by issuance of 14,095 common shares at a fair value of $16,914.

5. Exploration and Evaluation Assets (continued)

(iv) *Tilia Property, Quebec*

On June 20, 2016 the Company signed a purchase agreement to acquire 38 mineral claims (the "Tilia Property"). On July 15, 2016 the Company completed the purchase by paying $20,000 cash and issued 125,000 common shares at a fair value of $95,000. The Company also issued 14,000 common shares as a finder's fee at a fair value of $10,640.

(v) *Virium Property, Quebec*

On October 17, 2016 the Company signed a purchase agreement to acquire 40 mineral claims (the "Virium Property"). On November 23, 2016 the Company made an initial $10,000 cash payment, issued 350,000 common shares of the Company at a fair value of $245,000 and also issued 37,750 common shares as a finder's fee at a fair value of $26,425. On December 22, 2016 the Company completed the purchase by making the final $10,000 cash payment.

During fiscal 2018 the Company recorded an impairment of $1,438,598 to reduce the carrying value of the Quebec Properties to a nominal amount of $1.

(d) ***Cerpulje Project, Kosovo***

During fiscal 2016 the Company signed an option agreement, as amended (the "Cerpulje Agreement"), to acquire a 90% interest in the common shares of AGJA, a private company registered in the Republic of Kosovo. During fiscal 2017 the Company completed the purchase of the 90% interest in AGJA by paying a total of $390,576 (US $300,000). AGJA held an exploration license (the "Cerpulje Project") in the Republic of Kosovo. The Company also paid a finder's fee of $19,557 (US $15,000).

During fiscal 2018 the Company recorded a loss on abandonment of $882,478 for all costs incurred on the Cerpulje Project.

6. Share Capital

(a) ***Authorized Share Capital***

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) ***Share Consolidation***

On September 28, 2018 the Company completed a consolidation of its share capital on a one new common share for four old common shares basis. All share and per share amounts have been adjusted within these consolidated financial statements to reflect the share consolidation.

(c) ***Equity Financings***

Fiscal 2019

On February 25, 2019 the Company announced a non-brokered private placement of units at $0.05 per unit. Each unit will consist of one common share of the Company and one share-purchase warrant. Each warrant will entitle the holder to purchase an additional common share at an exercise price of $0.06 per share for a period of three years from the date of closing. On March 20, 2019 the Company completed the first tranche of 500,000 units for $25,000. As at March 31, 2019 the Company had received share subscriptions for a further $336,367. On June 3, 2019 the Company completed a second tranche by issuing 140,000 units for $7,000 and, on July 17, 2019, completed the remaining tranche by issuing 6,600,000 units for $330,000.

(Expressed in Canadian Dollars)

6. **Share Capital** (continued)

Fiscal 2018

During fiscal 2018 the Company completed a non-brokered private placement of 4,375,000 units at $0.80 per unit for $3,500,000. Each unit consisted of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase an additional common share of the Company at an exercise price of $1.04 per share for a period of three years after the closing. The Company has determined the fair value of the warrant component of the private placement to be $nil. Officers and directors of the Company purchased 187,500 units for $150,000.

The Company paid finders' fees of $180,180 cash, issued 70,000 common shares at a fair value of $56,000 and issued 225,225 warrants to the finders ("finders' warrants") in connection with this offering. The finders' warrants have the same terms as the private placement warrants. The fair value of the finders' warrants has been estimated with a fair value of $309,928 using the Black-Scholes Option Pricing Model. The assumptions used were: a risk-free interest rate of 0.82%; expected volatility of 172.16%; an expected life of three years; a dividend yield of 0%; and an expected forfeiture rate of 0%. The Company also incurred $19,280 for legal and filing costs associated with the private placement.

(d) *Warrants*

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at March 31, 2019 and 2018 and the changes for the years ended on those dates, is as follows:

	2019		2018	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance, beginning of year	9,169,225	0.87	4,569,000	0.72
Issued	500,000	0.06	4,600,225	1.04
Balance, end of year	9,669,225	0.83	9,169,225	0.87

(Expressed in Canadian Dollars)

6. Share Capital (continued)

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at March 31, 2019:

Number	Exercise Price $	Expiry Date
73,333	6.00	April 30, 2019
36,666	6.00	June 30, 2019
44,000	6.00	July 7, 2019
340,000	1.00	August 16, 2019
625,000	1.00	December 14, 2019
250,000	1.00	January 5, 2020
187,500	1.00	January 10, 2020
62,500	1.00	January 16, 2020
2,795,000	1.04	April 7, 2020
536,750	1.04	April 18, 2020
25,000	1.04	April 28, 2020
673,438	1.04	May 11, 2020
267,500	1.04	May 16, 2020
302,538	1.04	May 19, 2020
1,425,000	0.28	September 9, 2020
1,237,500	0.28	October 8, 2020
287,500	0.28	October 13, 2020
500,000	0.06	March 20, 2022
9,669,225		

See also Notes 6(c) and 12(a).

(e) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan") in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of five years. The number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares.

During fiscal 2019 the Company granted share options to purchase 650,000 (2018 - 483,750) common shares and recorded compensation expense of $26,736 (2018 - $498,695). During fiscal 2018 the Company also recorded compensation expense of $4,337 on the vesting of share options previously granted.

The fair value of share options granted during fiscal 2019 and 2018 was estimated using the Black-Scholes Option Pricing Model using the following assumptions:

	2019	2018
Risk-free interest rate	1.78%	0.82%
Estimated volatility	130.34%	169.23% - 172.16%
Expected life	3 years	3 years
Expected dividend yield	0%	0%
Estimated forfeiture rate	0%	0%

(Expressed in Canadian Dollars)

6. Share Capital (continued)

The weighted average measurement date fair value of all share options granted and vested, using the Black-Scholes Option Pricing Model, during fiscal 2019 was $0.055 (2018 -$1.24) per option.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide a reliable measure of the fair value of the Company's share options.

A summary of the Company's share options outstanding at March 31, 2019 and 2018 and the changes for the years ended on those dates, is as follows:

	2019		2018	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of year	1,045,000	1.11	762,500	0.96
Granted	650,000	0.055	483,750	1.24
Cancelled	(406,250)	1.20	-	0.84
Expired	(50,000)	0.80	(201,250)	-
Balance, end of year	1,238,750	0.54	1,045,000	1.11

The following table summarizes information about the share options outstanding and exercisable at March 31, 2019:

Number	Exercise Price $	Expiry Date
155,000	0.80	July 15, 2019
150,000	1.08	January 4, 2020
212,500	1.24	April 18, 2020
71,250	1.20	June 6, 2020
650,000	0.055	February 28, 2022
1,238,750		

See also Note 12(a).

7. Related Party Disclosures

Transactions made with related parties are made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and executive officers.

(Expressed in Canadian Dollars)

7. Related Party Disclosures

(a) During fiscal 2019 and 2018 the Company incurred the following compensation amounts to its current and former key management personnel:

	2019 $	2018 $
Mr. Roy Shipes (1)	220,673	176,000
Mr. Robert Naso (2)	-	20,000
Mr. Nick DeMare (3)	60,000	60,000
Mr. David McMullin (4)	72,678	85,676
	353,351	341,676
Mr. Robert Naso - living allowances	-	4,469
Share-based compensation	14,397	272,536
	367,748	618,681

(1) Compensation as President and CEO (appointed February 2017)
(2) Compensation as President, CEO and CFO (resigned as President and CEO, October 2016 and CFO, June 2017)
(3) Compensation as Corporate Secretary (also appointed interim CFO June 2, 2017)
(4) Compensation as Vice-President (appointed December 4, 2017, resigned July 10, 2018)

As at March 31, 2019, $456,108 (2018 - $162,903) remained unpaid and has been included in accounts payable and accrued liabilities. See also Note 5(a).

(b) During fiscal 2019 the Company incurred a total of $40,250 (2018 - $63,700) to Chase Management Ltd. ("Chase"), a private corporation owned by Mr. DeMare, for accounting and administration services provided by Chase personnel. As at March 31, 2019, $6,500 (2018 - $9,500) remained unpaid and has been included in accounts payable and accrued liabilities.

(c) See also Notes 5(a) and 6(c).

8. Income Taxes

Income tax expense (recovery) is recognized based on the weighted average annual income tax rate for the year applied to pre-tax income (loss).

	2019 $	2018 $
Loss before income taxes	(2,069,481)	(4,596,278)
Corporate tax rate	27.0%	27.0%
Income tax benefit computed at Canadian statutory rates	558,760	1,240,995
Permanent difference	(40,058)	(597,682)
Other	(438,287)	759,135
Change in unrecognized tax assets	(80,415)	(1,402,448)
Actual income tax recovery	-	-

(Expressed in Canadian Dollars)

8. Income Taxes (continued)

Significant components of the Company's deferred tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	2019 $	2018 $
Unrecognized deferred income tax assets		
Non-capital loss carried forward	3,810,480	4,056,655
Resource properties	1,260,908	1,075,547
Share issuance costs	42,450	62,051
Net unrecognized deferred income tax assets	5,113,838	5,194,253

As at March 31, 2019, the Company has non-capital losses for Canadian tax purposes of approximately $9,217,418 (2018 - $10,129,174) which are available to reduce taxable income in future years that expire between 2026 and 2039. In addition, the Company has United States non-capital losses of approximately $1,321,777 that expire between 2038 and 2039.

In addition to non-capital losses, the Company has deductible temporary differences of $4,827,250 (2018 - $4,213,328) for which deferred tax assets have not been recognized because it is not probable that future taxable profit will be available to utilize the benefits.

9. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following following categories: fair value through profit or loss ("FVTPL"); amortized cost; fair value through other comprehensive income; and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	March 31, 2019 $	March 31, 2018 $
Cash	FVTPL	25,131	125,261
Amounts receivable	Amortized cost	-	5,599
Accounts payable and accrued liabilities	Amortized cost	(1,198,938)	(387,396)
Advances payable	Amortized cost	(59,432)	-

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

9. Financial Instruments and Risk Management (continued)

The recorded amounts for accounts payable and accrued liabilities and advances payable approximate their fair value. The Company's fair value of cash under the fair value hierarchy is measured using Level 1 inputs.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

	Contractual Maturity Analysis at March 31, 2019				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	25,131	-	-	-	25,131
Accounts payable and accrued liabilities	(1,198,938)	-	-	-	(1,198,938)
Advances payable	(59,432)	-	-	-	(59,432)

	Contractual Maturity Analysis at March 31, 2018				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	125,261	-	-	-	125,261
Amounts receivable	5,599	-	-	-	5,599
Accounts payable and accrued liabilities	(387,396)	-	-	-	(387,396)

Market Risk

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

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company's functional currency is the Canadian Dollar and major transactions are primarily transacted in Canadian Dollars and US Dollars. The Company maintains a US Dollar bank account with its Canadian bank to support the cash needs of its foreign operations. Management believes the foreign exchange risk related to currency conversions is minimal and therefore does not hedge its foreign exchange risk. At March 31, 2019, 1 Canadian Dollar was equal to 0.75 US Dollar.

(Expressed in Canadian Dollars)

9. Financial Instruments and Risk Management (continued)

Balances are as follows:

	US Dollars	CDN $ Equivalent
Cash	906	1,211
Accounts payable and accrued liabilities	(409,070)	(546,641)
Advances	(44,475)	(59,432)
	(452,639)	(604,862)

Based on the net exposures as of March 31, 2019 and, assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the US Dollar would result in an increase or decrease of approximately $66,535.

(c) Commodity Price Risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company's risk relates primarily to the expected output to be produced at its exploration and evaluation assets described in Note 5 of these consolidated financial statements, which production is not expected in the near future.

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 provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders.

The properties in which the Company currently has an interest are in the exploration stage, as such, the Company does not recognize revenue from its exploration properties. The Company's historical sources of capital have consisted of the sale of equity securities and interest income. In order for the Company to complete its acquisitions, carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and expects to raise additional amounts externally as needed.

There were no changes in the Company's management of capital during fiscal 2019.

10. Segmented Information

The Company operates in one reportable operating segment, being exploration and development of mineral interests in USA, Peru and Canada. The Company is in the exploration stage and has no reportable segment revenues or operating results. The Company's total assets and operations are segmented geographically as follows:

	As at March 31, 2019			
	Canada $	USA $	Peru $	Total $
Current assets	30,487	3,349	-	33,836
Exploration and evaluation assets	1	566,935	-	566,936
Property, plant and equipment	-	15,307	-	15,307
	30,488	585,591	-	616,079

(Expressed in Canadian Dollars)

10. Segmented Information (continued)

	As at March 31, 2018			
	Canada $	USA $	Peru $	Total $
Current assets	90,060	61,474	-	151,534
Exploration and evaluation assets	1	1,079,316	174,139	1,253,456
Property, plant and equipment	-	21,493	-	21,493
	90,061	1,162,283	174,139	1,426,483

11. Supplemental Cash Flow Information

During fiscal 2019 and 2018 non-cash activities were conducted by the Company as follows:

	2019 $	2018 $
Operating activity		
Accounts payable and accrued liabilities	303,123	31,369
Investing activities		
Exploration and evaluation assets	(303,123)	(31,369)
Financing activities		
Issuance of common shares	-	56,000
Share issue costs	-	(365,928)
Share-based payment reserves	-	309,928
	-	-

12. Events after the Reporting Period

(a) Subsequent to March 31, 2019:

(i) warrants to purchase 153,999 common shares of the Company at an exercise price of $6.00 per share expired without exercise; and

(ii) options to purchase 155,000 common shares of the Company at an exercise price of $0.80 per share expired without exercise.

(b) See also Notes 5(a) and 6(c).