



**Rover Metals Corp.**

Condensed Interim Financial Statements  
For the Three Month Periods Ended March 31, 2018 and 2017

Expressed in Canadian Dollars  
(Unaudited)

**ROVER METALS CORP.**

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars - Unaudited)

	Note	March 31, 2018	December 31, 2017
<b>Assets</b>			(Audited)
<b>Current</b>			
Cash and cash equivalents	4	\$ 288,626	\$ 492,174
Prepaid expenses	5	287,395	225,900
Sales tax receivable		42,067	34,538
		<b>618,088</b>	752,612
<b>Non-current</b>			
Mineral property interest, net	6	500,414	499,514
Total assets		\$ 1,118,502	\$ 1,252,126
<b>Liabilities and shareholders' equity</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	7,9	\$ 55,790	\$ 76,181
Flow-through share liability		-	20,655
		<b>55,790</b>	96,836
<b>Shareholders' equity</b>			
Share capital (including subscription deposits)	8	1,458,519	1,395,866
Warrant reserve		363,904	363,904
Deficit		(759,711)	(604,480)
Total shareholders' equity		<b>1,062,712</b>	1,155,290
Total liabilities and shareholders' equity		\$ 1,118,502	\$ 1,252,126
Nature and Continuance of Operations - Note 1			
Commitments - Note 13			
Subsequent Events - Note 14			

APPROVED ON BEHALF OF THE BOARD ON JULY 6, 2018:

"Judson Culter"

DIRECTOR

"Keith Minty"

DIRECTOR

(The accompanying notes are an integral part of these condensed interim financial statements)

**ROVER METALS CORP.**Condensed Interim Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars - Unaudited)

		<b>For the three months ended</b>	
	<b>Note</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
<b>Expenses</b>			
Administrative fees	9	\$ 45,000	\$ 30,000
Investor relations and marketing consulting		21,176	-
Travel		14,336	8,369
Marketing and events		7,977	479
Office expenses and dues		5,541	742
Professional fees		4,060	7,291
Meals and entertainment		3,909	1,844
Foreign exchange loss (gain)		1,186	2,382
Communications		753	571
Bank fees		251	317
Rent and maintenance		180	252
		104,369	52,247
<b>Loss for the period</b>		(104,369)	(52,247)
<b>Other (income) expense</b>			
Listing expense	14	50,862	-
		50,862	-
<b>Comprehensive loss for period</b>		\$ (155,231)	\$ (52,247)
<b>Loss per common share, basic and diluted</b>		\$ (0.00)	\$ (0.00)
<b>Weighted average number of common shares outstanding</b>		32,377,000	23,904,714

(The accompanying notes are an integral part of these condensed interim financial statements)

**ROVER METALS CORP.**Condensed Interim Statements of Changes in Equity  
(Expressed in Canadian Dollars - Unaudited)

	Share Capital		Share Subscription Deposits	Warrant Reserve	Deficit	Total
	Number of Common	Amount				
Balance, December 31, 2016	26,275,910	\$ 308,784	\$ 107,500	\$ -	\$ (287,488)	\$ 128,796
Cancellation of founder common shares (note 8(c))	(5,275,910)	-	-	-	-	-
\$0.10 unit financing, subscription deposits	-	-	91,881	-	-	91,881
Net loss for the period ended March 31, 2017	-	-	-	-	(52,247)	(52,247)
Balance, March 31, 2017	21,000,000	\$ 308,784	\$ 199,381	\$ -	\$ (339,735)	\$ 168,430
\$0.10 unit financing, net of issuance costs	10,000,000	655,567	(199,381)	333,294	-	789,480
\$0.125 unit financing, subscription deposits	-	-	290,000	-	-	290,000
\$0.14 flow-through unit financing, net of liability	1,377,000	141,515	-	30,610	-	172,125
Net loss for the period ended December 31, 2017	-	-	-	-	(264,745)	(264,745)
Balance, December 31, 2017	32,377,000	\$1,105,866	\$ 290,000	\$ 363,904	\$ (604,480)	\$1,155,290
Renunciation of \$0.14 flow-through share liability	-	20,655	-	-	-	20,655
\$0.125 unit financing, subscription deposits	-	-	30,000	-	-	30,000
\$0.140 unit financing, subscription deposits	-	-	11,998	-	-	11,998
Net loss for the period ended March 31, 2018	-	-	-	-	(155,231)	(155,231)
Balance, March 31, 2018	32,377,000	\$1,126,521	\$ 331,998	\$ 363,904	\$ (759,711)	\$1,062,712

(The accompanying notes are an integral part of these condensed interim financial statements)

## ROVER METALS CORP.

Condensed Interim Statements of Cash Flows  
(Expressed in Canadian Dollars - Unaudited)

	For the three months ended	
	March 31, 2018	March 31, 2017
<b>Cash flows from (used in) operating activities</b>		
Losses for the period	\$ (155,231)	\$ (52,247)
Changes in non-cash working capital items:		
Prepaid expenses	(61,495)	(5,000)
Sales tax receivable	(7,529)	(874)
Accounts payable and accrued liabilities	(20,391)	(19,750)
	<u>(244,646)</u>	<u>(77,871)</u>
<b>Cash flows from (used in) investing activities</b>		
Investment in mineral property interests	(900)	(30,000)
	<u>(900)</u>	<u>(30,000)</u>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from subscription deposits	41,998	91,881
	<u>41,998</u>	<u>91,881</u>
<b>Net decrease in cash</b>	(203,548)	(15,990)
<b>Cash, beginning of period</b>	492,174	50,063
<b>Cash, end of period</b>	<u>\$ 288,626</u>	<u>\$ 34,073</u>

### Supplemental cash flow information

During the three month period ended March 31, 2018 the Company renounced \$20,655 in flow-through share liabilities related to exploration activities during the year-ended December 31, 2017.

(The accompanying notes are an integral part of these condensed interim financial statements)

## **ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

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### **NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN**

Rover Metals Corp. (“Rover” or the “Company”), is a private company incorporated under the British Columbia, Canada, Business Corporations Act on February 23, 2010. The head office and principal address of the Company is located at Suite 708 - 1155 West Pender Street, Vancouver, BC, V6E 2P4.

Rover is a private Canadian natural resource exploration company specializing in precious metal resources located in the Northwest Territories of Canada. Subsequent to period end, the Company completed the listing of its shares on the Toronto Venture Exchange as a Tier II Mining Issuer, and trades under the symbol “ROVR”.

These financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the three month period ended March 31, 2018, the Company incurred a net loss of \$155,231. As of that date, the Company had a deficit of \$759,711 and working capital of \$562,298. There is no certainty that additional financing at terms that are acceptable to the Company will be available, and an inability to obtain financing would have a direct impact on the Company’s ability to continue as a going concern. These conditions indicate a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. Management intends to finance operating costs with the proceeds from equity financings, and its current working capital. That being said, subsequent to period end, management was successful in raising a financing of \$1,520,553 and successful in completing the listing of the Company’s shares on the Toronto Venture Exchange as a Tier II Mining Issuer.

These financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

### **NOTE 2 – BASIS OF PRESENTATION**

#### **(a) Statement of compliance**

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 - *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board. As such, these condensed interim financial statements do not contain all the disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company’s audited annual financial statements for the years ended December 31, 2017 and 2016 (“annual financial statements”).

The Company’s interim results are not necessarily indicative of its results for a full year. All amounts are expressed in Canadian dollars, unless otherwise noted.

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on July 6, 2018.

**ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

**NOTE 2 – BASIS OF PRESENTATION (continued)****(b) Critical accounting judgements and estimates**

The preparation of the financial statements in conformity with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates.

Critical judgments exercised in applying accounting policies, apart from those involving estimates, that have the most significant effect on the amounts recognized in the financial statements are as follows:

*i. Going-concern*

The 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 for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption were not appropriate for the financial statements, then adjustments to the carrying value of assets and liabilities, the reported expenses and the statement of financial position would be necessary (Note 1).

*ii. Functional currency*

The functional currency for the Company is the currency of the primary economic environment in which the entity operates. The Company has determined that the functional currency is the Canadian dollar. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions that determined the primary economic environment.

*iii. Economic recoverability of future economic benefits of mineral property interests*

Management has determined that exploration and evaluation of mineral properties and related costs incurred, which have been recognized on the statements of financial position, are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geological data, scoping studies, accessible facilities, and existing and future permits.

*iv. Indications of impairments of assets*

Impairment testing is done at the cash generating unit level and judgment is involved in assessing whether there is any indication that an asset or a cash generating unit may be impaired. The assessment of the impairment indicators involves the application of a number of significant judgments and estimates to certain variables, including metal price trends, exploration plans for properties and the results of exploration and evaluation to date.

**ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

**NOTE 2 – BASIS OF PRESENTATION (continued)****(b) Critical accounting judgements and estimates (continued)**

Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

*i. Provisions*

Provisions recognized in the financial statements involve judgments on the occurrence of future events, which could result in a material outlay for the Company. In determining whether an outlay will be material, the Company considers the expected future cash flows based on facts, historical experience and probabilities associated with such future events. Uncertainties exist with respect to estimates made by management and as a result, the actual expenditure may differ from amounts currently reported.

*ii. Income taxes*

The provision for income taxes and composition of income tax assets and liabilities require management's judgment. The application of income tax legislation also requires judgment in order to interpret legislation and apply those findings to the Company's transactions.

**NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES****(a) Changes in accounting policies not yet effective***Financial instruments*

In July 2014, the IASB issued the final version of IFRS 9 – Financial Instruments ("IFRS 9") to replace IAS 39 – Financial Instruments: Recognition and Measurement. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. IFRS 9 also includes a substantially reformed approach to hedge accounting. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact of the adoption of this standard on its financial statements.

*Leases*

In January 2016, the IASB published a new accounting standard, IFRS 16 – Leases ("IFRS 16") which supersedes IAS 17 – Leases. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted if IFRS 15, has also been applied. The Company does not have any material lease agreements and does not expect the adoption of this standard to materially impact its financial statements.

**ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

**NOTE 4 – CASH AND CASH EQUIVALENTS**

	<b>March 31, 2018</b>	December 31, 2017
Cash	\$ 288,626	\$ 492,174
	<b>288,626</b>	492,174

**NOTE 5 – PREPAID EXPENSES**

	<b>March 31, 2018</b>	December 31, 2017
Prepaid investor relations fees	\$ 287,059	\$ 208,235
Other	\$ 336	\$ 17,665
	<b>287,395</b>	225,900

**NOTE 6 – MINERAL PROPERTY INTERESTS, NET**

Mineral property interest, net was composed of the following at March 31, 2018 and December 31, 2017:

	Up Town Gold <sup>1</sup>	Cabin Lake <sup>2</sup>	Camp & Slemon Lakes <sup>3</sup>	<b>Total</b>
At January 1, 2016	\$ -	\$ -	\$ -	\$ -
Option payments - equity	98,535	-	-	<b>98,535</b>
At December 31, 2016	98,535	-	-	<b>98,535</b>
Acquisitions	-	5,000	-	<b>5,000</b>
Option payments - cash	90,000	-	-	<b>90,000</b>
Expenditures	352,070	-	18,428	<b>370,498</b>
Less: government grant <sup>4</sup>	(64,519)	-	-	<b>(64,519)</b>
At December 31, 2017	476,086	5,000	18,428	<b>499,514</b>
Permitting	-	450	450	<b>900</b>
<b>At March 31, 2018</b>	<b>476,086</b>	<b>5,450</b>	<b>18,878</b>	<b>500,414</b>

**1. Up Town Gold Property**

On September 9, 2016 (“the Effective Date”), the Company entered into an agreement (the “Agreement”) with Silver Range Resources Ltd. (“Silver Range”) to option up to a 100% interest in the Up Town Gold Property (the “Property”). The Property is a high grade Archean lode gold prospect adjoining the Giant Mine in Yellowknife, Northwest Territories. The Property consists of 6 claims covering 3,227 hectares and borders the west side of the Giant Mine leases. The Property centre is approximately 6 km north of downtown Yellowknife, and adjoins TerraX Minerals’ Northbelt claims.

**ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

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**NOTE 6 – MINERAL PROPERTY INTERESTS, NET (continued)**

***1. Up Town Gold Property (continued)***

The Agreement consists of the following options:

- “First Option” refers to the sole and exclusive right and option to acquire up to 75% undivided interest in the Property;
- “Second Option” refers to the sole and exclusive right and option to acquire up to 25% undivided interest.

The Agreement and First Option will terminate if the Company doesn’t complete all of the following within the relevant time period:

- Complete all of the following within the relevant time period Expenditures on the Property of:
  - \$350,000 by the first anniversary of the Effective Date (milestone complete);
  - \$500,000 by the second anniversary of the Effective Date (\$850,000 cumulative total); and
  - \$750,000 by the third anniversary of the Effective Date (\$1,600,000 cumulative total).
- Pay the following amounts and issue the following shares to Silver Range:
  - 7.5% of the outstanding common shares on a fully diluted basis, as at the Effective Date of the Agreement (payment complete);
  - \$30,000 by March 9, 2017 (payment complete);
  - Additional \$60,000 by the first anniversary of the Effective Date (payment complete);
  - Additional \$90,000 by the second anniversary of the Effective Date; and
  - Additional \$120,000 by the third anniversary of the Effective Date.

Once the First Option is fully exercised, the Company shall be deemed to have granted to Silver Range the Second Option, and the Company can exercise the Second Option by issuing Silver Range 4.5% of outstanding common shares on a fully diluted basis.

Royalty payments will be performed by both the Company and Silver Range if the First Option is exercised and a Joint Venture formed, or if both the First and Second Options are exercised.

Royalty interest will be a 2% net smelter return royalty; and is buyable down to 1% for \$1,000,000, with advance payments of Royalties for \$50,000 per annum starting on the 5th anniversary of the Effective Date of the Agreement.

On September 9, 2016, 1,970,694 common shares were issued to Silver Range, at a price of \$0.05 per share and valued at \$98,535, representing 7.5% of the Company’s outstanding common shares upon issuance, on a fully diluted basis, in accordance with the Agreement and First Option. At March 31, 2018 and December 31, 2017, the \$98,535 has been capitalized to mineral property interests as a cost of acquisition.

As per the Agreement, the Company had completed the required \$350,000 on Property expenditures prior to the first anniversary of the Effective Date. Additionally, in accordance with the Agreement the \$60,000 was paid by the Company to Silver Range.

## **ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

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### **NOTE 6 – MINERAL PROPERTY INTERESTS, NET (continued)**

#### **2. *Cabin Lake Property***

On November 14, 2017, the Company announced that it entered into a Letter of Intent (the “Cabin Lake LOI”) with Silver Range Resources Ltd. to purchase 100% interest in the Cabin Lake gold-in-iron formation property (“Cabin Lake”). Cabin Lake consists of one claim located 110 km northwest of Yellowknife and 60 km southeast of Fortune Minerals and close to the new Tlicho all season road.

The Company has agreed to provide the following consideration in return for Cabin Lake:

- \$5,000 cash upon signing of the Cabin Lake LOI;
- \$35,000 cash on the date that the Company is issued drilling permits for Cabin Lake by the government of the Northwest Territories;
- A royalty of 2% of Net Smelter Returns (the “Silver Range Royalty”) related to commercial production from Cabin Lake;
- Advance royalty payments equal to the lesser of \$20,000 or 7% of exploration expenditures incurred by the Company at Cabin Lake during each of the calendar years 2019, 2020, and 2021. The maximum aggregate amount of total advance royalty payments is \$220,000. These advance royalty payments are deemed to be credited against future payments of the Silver Range Royalty.

Should the Company complete a listing of the Company’s common shares on the TSX-V the \$35,000 cash payment, through the election of the Company, may be settled through the issuance of \$13,333 in the Company’s shares.

Following completion of all payments and the completion of a National Instrument 43-101 report (“NI 43-101”) with measured and indicated resources, the Company shall have the irrevocable right to purchase up to 75% (being 1.5% of the 2.0%) of the Silver Range Royalty as follows:

- \$250,000 for each 0.5% interest in the Silver Range Royalty if the NI 43-101 measured and indicated gold resource is less than 1.0 million ounces of gold or gold equivalent; or
- \$500,000 for each 0.5% interest in the Silver Range Royalty if the NI 43-101 measured and indicated gold resource is greater than 1.0 million ounces of gold or gold equivalent.

#### **3. *Camp and Slemon Lakes***

During November 2017, the Company staked open-ground at the Camp Lake and Slemon Lake properties in the Northwest Territories. Camp Lake and Slemon Lake are located approximately 10km and 20km, respectively, north west of Cabin Lake. The Company spent \$18,428 on staking fees at Camp and Slemon Lakes.

#### **4. *Government Grant***

On October 24, 2017, the Company received \$64,519 in the form of a government grant from the government of the Northwest Territories through the Northwest Territories Mining Incentive Program (the “Grant”). The purpose of the Grant is to provide funding to stimulate and sustain mineral exploration activities throughout the Northwest Territories. The Grant received was specifically applied for and approved solely for use with the Up Town Property exploration project expenditures and as such has been applied as a credit towards the carrying value of the Up Town Property.

**ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

**NOTE 7 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>March 31, 2018</b>	December 31, 2017
Accounts payable	\$ 54,428	\$ 74,819
Accounts payable - USD	\$ 1,362	\$ 1,362
	<b>55,790</b>	76,181

**NOTE 8 – SHARE CAPITAL AND RESERVES****(a) Authorized**

Unlimited number of voting common shares without par value.

**(b) Issued Share Capital**

As at March 31, 2018, 32,377,000 common shares were issued and outstanding.

**(c) Share Issuances**

Share capital transactions during the three month period March 31, 2018 were as follows:

- On February 2, 2018, the Company renounced \$20,655 (all) of its 2017 flow-through share liability.
- In February 2018, the Company received share subscription deposits for its \$0.125 unit financing of \$20,000.
- In March 2018, the Company received share subscription deposits for its \$0.125 unit financing of \$10,000.
- In March 2018, the Company received share subscription deposits for its \$0.140 unit flow-through financing of \$11,998.

Share capital transactions during the year ended December 31, 2017 were as follows:

- On February 19, 2017, a founding shareholder and director of the Company cancelled 5,275,910 common shares and returned them to treasury.
- On May 31, 2017, August 22, 2017, and September 29, 2017, the Company closed three tranches, respectively, of its \$0.10 unit financing (the “\$0.10 Unit Financing”) raising total proceeds of \$1,000,000 (\$201,382, \$735,000, and \$63,618, respectively). Pursuant to the \$0.10 Unit Financing the Company issued 10,000,000 (2,013,815, 7,350,000, and 636,185, respectively) common shares and 8,993,083 (1,006,908, 7,350,000, and 636,185, respectively) common share purchase warrants (the “Unit Financing Warrants”) each with a useful life of two years from the date of a TSX-V listing, and an exercise price of \$0.20. It is noted that the first tranche received a half common share purchase warrant while the second and third tranche received a full common share purchase warrant. The common share purchase warrants had a fair value of \$329,164 and were recorded to warrant reserve on the Statements of Changes in Equity.
- Pursuant to the \$0.10 Unit Financing, the Company issued 135,240 common shares purchase warrants as finder’s fees (the “Finder’s Warrants”). The 135,240 common share purchase warrants, with a useful life of two years from the date of a TSX-V listing and an exercise price of \$0.20, had a fair value of \$4,130 and were recorded as share issuance costs. The Company paid cash commissions of \$11,139 to finders which were also recorded to share issuance costs and net against share capital amount on the Statements of Changes in Equity.

**ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

**NOTE 8 – SHARE CAPITAL AND RESERVES (continued)****(c) Share Issuances (continued)**

- On September 29, 2017, the Company issued 144,375 common shares to a Director of the Company as a share-based payment for consulting services provided to the Company totaling \$14,438, or \$0.10 per unit, and was included in the 10,000,000 units issued as part of \$0.10 Unit Financing.
- On September 29, 2017, the Company issued 69,036 common shares to third-party consultant as a share-based payment for promotional services provided to the Company totaling \$6,903, or \$0.10 per unit, and was included in the 10,000,000 units issued as part of \$0.10 Unit Financing.
- On December 31, 2017, the Company closed the first tranche of its \$0.14 flow-through share unit offering (the “Flow-Through Share Unit Financing”) for total proceeds of \$192,780, issuing 1,377,000 flow-through common shares and 1,377,000 common share purchase warrants with a useful life of two years from the date of issuance and an exercise price of \$0.28 in year one and an exercise price of \$0.56 in year two. The \$30,610 value of these warrants was determined using the Black-Scholes model, and were recorded to warrant reserve on the Statements of Changes in Equity (note 8(e)).
- On December 31, 2017, concurrent with the Flow-Through Share Unit Financing, the Company announced a \$0.125 unit financing (the “\$0.125 Unit Financing”) where each unit comprises one common share and one common share purchase warrant with a useful life of two years from the closing date of the “\$0.125 Unit Financing and an exercise price of \$0.25 in year one and an exercise price of \$0.50 in year two.
- During the year ended December 31, 2017, the Company received a total of \$290,000 in subscription deposits pursuant to the \$0.125 Unit Financing.

**(d) Warrants**

The following table summarizes the common share purchase warrants transactions and issued and outstanding as at March 31, 2018 and December 31, 2017:

Expiry Date	Exercise Price	Balance Dec. 31, 2017	Granted	Expired / Exercised	Terminated	Balance Mar. 31, 2018
March 15, 2018	\$0.15	30,000	-	-	(30,000)	-
May 31, 2018	\$0.20	25,000	-	-	-	25,000
September 29, 2019	\$0.20	110,240	-	-	-	110,240
Expiry Date <sup>1</sup>	\$0.20	8,993,093	-	-	-	8,993,093
December 31, 2019 <sup>2</sup>	\$0.28	1,377,000	-	-	-	1,377,000
<b>Total</b>		<b>10,535,333</b>	<b>-</b>	<b>-</b>	<b>(30,000)</b>	<b>10,505,333</b>
<b>Weighted Average</b>						
Exercise Price		\$ 0.21	\$ -	\$ -	\$ -	\$ 0.21

1. The expiry is 24 months from the date of a TSXV listing.

2. The exercise price is \$0.28 for the first 12 months after grant, and \$0.56 for months 13 to 24.

**ROVER METALS CORP.**

Notes to the Condensed Interim Financial Statements

March 31, 2018

(Expressed in Canadian Dollars - Unaudited)

**NOTE 8 – SHARE CAPITAL AND RESERVES (continued)****(d) Warrants (continued)**

Expiry Date	Exercise Price	Balance Dec. 31, 2016	Granted	Expired / Exercised	Terminated	Balance Dec. 31, 2017
December 31, 2017	\$0.15	36,000	-	-	(36,000)	-
March 15, 2018	\$0.15	30,000	-	-	-	30,000
May 31, 2019	\$0.20	-	25,000	-	-	25,000
September 29, 2019	\$0.20	-	110,240	-	-	110,240
Expiry Date <sup>1</sup>	\$0.20	-	8,993,093	-	-	8,993,093
December 31, 2019 <sup>2</sup>	\$0.28	-	1,377,000	-	-	1,377,000
<b>Total</b>		<b>66,000</b>	<b>9,128,333</b>	<b>-</b>	<b>(36,000)</b>	<b>10,535,333</b>
<b>Weighted Average</b>						
Exercise Price		<b>\$ 0.15</b>	<b>\$ 0.24</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.21</b>

1. The expiry is 24 months from the date of a TSXV listing.

2. The exercise price is \$0.28 for the first 12 months after grant, and \$0.56 for months 13 to 24.

As at March 31, 2018, the weighted average remaining contractual life of the warrants is 2.35 years (December 31, 2017 is 2.35 years).

Using a Black Scholes valuation model, the Company calculated the fair value of the warrants issued during the period and year ended March 31, 2018 and December 31, 2017, respectively, using the following weighted-average inputs:

	<b>2018</b>	2017
Expected life	<b>2.44 years</b>	2.44 years
Expected volatility	<b>90.00%</b>	90.00%
Expected dividend yield	-	-
Expected risk-free rate	<b>1.27%</b>	1.27%
Expected warrant price	<b>\$ 0.23</b>	\$ 0.23

**(e) Flow-through shares**

Flow-through share arrangements involve resource expenditure deductions for income tax purposes which are renounced to purchasers of common shares in accordance with income tax legislation. Each flow-through share entitles the holder to a 100% tax deduction in respect of qualifying Canadian Exploration Expenses (“CEE”) as defined.

The value of the flow-through share liability was determined using the residual value method, after determining the fair value of the common shares and common shares purchase warrants attached to the Flow-Through Share Unit Financing. The Flow-Through Share Unit Financing premium was valued at \$0.015 per unit, and correspondingly established the flow-through share liability value at \$20,655 as at December 31, 2017.

At March 31, 2018, the Company has renounced its 2017 resource expenditures associated with 2017 flow-through shares.

**ROVER METALS CORP.**

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**NOTE 9 – RELATED PARTY TRANSACTIONS****(a) Related Party Transactions**

The Company incurred charges to directors and officers or to companies associated with these individuals during the three month periods ended March 31, 2018 and March 31, 2017 as follows:

	<b>March 31, 2018</b>	March 31, 2017
Management consulting fees	\$ <b>40,000</b>	\$ 30,000
	<b>40,000</b>	30,000

Management consulting fees are paid to companies controlled by the Chief Executive Officer (“CEO”), the President & Chief Financial Officer (“CFO”), and the Chief Operating Officer (“COO”).

**(b) Related Party Balances**

All related party balances payable, for services rendered as at March 31, 2018 and at December 31, 2017 are non-interest bearing and payable on demand, and are comprised of \$nil at March 31, 2018 (December 31, 2017 - \$15,225 payable to the President of the Company).

**NOTE 10 – SEGMENTED INFORMATION**

The Company’s operates in one segment, being mineral exploration, and one geographic location being Canada as follows:

	<b>March 31, 2018</b>	March 31, 2017
Losses	\$ <b>(155,231)</b>	\$ (52,247)
Assets	<b>1,118,502</b>	171,972

**NOTE 11 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT****(a) Fair Value of Financial Instruments**

As at March 31, 2018 and December 31, 2017 the Company’s financial instruments consist of cash, receivables, accounts payable and accrued liabilities. Cash and receivables are designated as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are designated as other financial liabilities, which are measured at amortized cost.

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

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**NOTE 11 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)****(a) Fair Value of Financial Instruments (continued)**

The three levels of hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

As at March 31, 2018, the Company believes that the carrying values of cash, sales tax receivable, and accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

**(b) Financial Instruments Risk**

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board approves and monitors the risk management processes:

*(i) Credit risk*

Credit risk exposure primarily arises with respect to the Company's cash and receivables. The risk exposure is limited because the Company places its instruments in banks of high credit worthiness within Canada and continuously monitors the collection of other receivables.

*(ii) Liquidity risk*

Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to settle obligations and liabilities when they become due. As at March 31, 2018, the Company had cash of \$288,626 (December 31, 2017 – \$492,174) and a current working capital of \$562,298 (December 31, 2016 – \$655,776) with total liabilities of \$55,790 (December 31, 2017 – \$96,836).

*(iii) Market risk*

- a. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. A change of 100 basis points in the interest rates would not be material to the financial statements.
- b. Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. Assuming all other variables constant, an increase or a decrease of 10% of the US dollar against the Canadian dollar, the net loss of the Company and the equity for the period ended March 31, 2018 would have varied by a negligible amount.

The Company had no hedging agreements in place with respect to foreign exchange rates.

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**NOTE 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 provide returns for shareholders and benefits for other stakeholders. 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, issue debt instruments or return capital to its shareholders.

The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

**NOTE 13 – COMMITMENTS**

The Company does not have any future operating commitments at March 31, 2018, while the only undiscounted liabilities are the accounts payable and accrued liabilities which are due within one year and as at March 31, 2018 are \$55,790 (December 31, 2017 – \$96,836).

**NOTE 14 – SUBSEQUENT EVENTS**

On June 26, 2018, Rover Metals Corp. (TSX.V: ROVR - the "Company" or the "Resulting Issuer"), announced it has obtained a public listing for its securities on the TSX Venture Exchange (the "Exchange") following closing of the Qualifying Transaction (as defined in Exchange policies) involving Royal Lifescience Corp. ("RLS") and Rover Metals Corp. ("Rover"). As a result, the Company will be listed as a Tier 2 issuer on the Exchange. In conjunction with the Qualifying Transaction, Rover raised \$1,520,553 through a non-brokered private placement financing (the "Financing"). Trading in the shares of the Resulting Issuer commenced under the symbol "ROVR" on June 29, 2018.

***Transaction Details***

As previously announced, the Qualifying Transaction involved the arm's length amalgamation of RLS and Rover pursuant to the provisions of the Business Corporations Act (British Columbia) (the "Amalgamation") to continue as a new company called "Rover Metals Corp.". Each common share in the capital of Rover (the "Rover Shares") and the capital of RLS (the "RLS Shares") that were outstanding immediately prior to the Amalgamation were converted into one (1) common share in the capital of the Resulting Issuer (the "Resulting Issuer Shares"), respectively. Upon completion of the Amalgamation and the Financing, former holders of RLS Shares hold, in the aggregate 3,990,000 Resulting Issuer Shares representing approximately 8.50% of the outstanding Resulting Issuer Shares and the former holders of Rover Shares hold, in the aggregate 42,936,785 Resulting Issuer Shares representing approximately 91.50% of the outstanding Resulting Issuer Shares. As a result of the foregoing, the Resulting Issuer has an aggregate of 46,926,785 common shares issued and outstanding.

***Directors and Officers of the Company***

The board of directors of the Company consists of: Judson Culter, Keith Minty, Eugene Hodgson, Louis Covello and Salim Tharani. The management team of the Company is comprised of Judson Culter, Chief Executive Officer and Corporate Secretary, Keith Minty, President and Chief Financial Officer, Raul Sanabria, VP Exploration and Ronald Woo, Chief Operating Officer.

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**NOTE 14 – SUBSEQUENT EVENTS (continued)*****Closing of the Financing***

In connection with the completion of the Amalgamation, Rover completed a non-brokered private placement of 10,039,800 units (the “CS Units”) at an issue price of \$0.125 per unit for aggregate gross proceeds of \$1,254,975. Each CS Unit being comprised of one Rover Share and one common share purchase warrant (a “CS Warrant”). Each CS Warrant entitles the holder to acquire an additional Rover Share at a purchase price of \$0.25 for a period of 12 months following the date of issuance and at an exercise price of \$0.50 for the period commencing 12 months following the date of issuance and ending 24 months following the date of issuance. Rover also completed a nonbrokered private placement of 1,896,985 units (the “FT Units”) at an issue price of \$0.14 per unit for aggregate gross proceeds of \$265,578. Each FT Unit being comprised of one Rover Share issued on a flow-through basis in accordance with the provisions of the Income Tax Act (Canada) and one common share purchase warrant (a “FS Warrant”). Each FT Warrant entitles the holder to acquire an additional Rover Share (issued on a non-flow-through basis) at a purchase price of \$0.28 for a period of 12 months following the date of issuance and at an exercise price of \$0.56 for the period commencing 12 months following the date of issuance and ending 24 months following the date of issuance.

Proceeds of the Financing are anticipated to be used to fund the Resulting Issuer’s exploration program and for working capital and other general corporate purposes.