



**GLACIER LAKE**  
*RESOURCES INC.*

Condensed Consolidated Interim Financial Statements

For the Six Months Ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

Unaudited – Prepared by Management

## **NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

**GLACIER LAKE RESOURCES INC.**

Condensed Consolidated interim Statements of Financial Position  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)

	Note	September 30, 2018	March 31, 2018
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		\$ 93,352	\$ 500,605
Share subscriptions receivable		-	55,000
Amounts receivable		29,423	37,793
Prepaid expenses		16,625	36,827
<b>Total current assets</b>		139,400	630,225
<b>Non-current assets</b>			
Exploration and evaluation assets	4	1,108,528	753,750
Exploration advances		-	140,000
Reclamation bond		32,000	32,000
<b>Total assets</b>		\$ 1,279,928	\$ 1,555,975
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 129,712	\$ 144,794
Due to related parties	5	233,425	117,925
Flow-through share premium liability	9	4,234	60,165
<b>Total current liabilities</b>		367,371	322,884
<b>Shareholders' equity</b>			
Share capital	6	5,579,178	5,396,144
Commitment to issue shares	12	-	30,510
Share-based payment reserve	6	586,125	586,125
Deficit		(5,252,746)	(4,779,688)
<b>Total shareholders' equity</b>		912,557	1,233,091
<b>Total liabilities and shareholders' equity</b>		\$ 1,279,928	\$ 1,555,975

Going concern (Note 2)  
Commitments (Note 12)

Approved and authorized for issuance by the Board of Directors on November 26, 2018:

\_\_\_\_\_  
"Satvir Dhillon"  
Director

\_\_\_\_\_  
"Stan Szary"  
Director

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

**GLACIER LAKE RESOURCES INC.**

Condensed Consolidated Interim Statements of Operations and Comprehensive Loss  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)

	Note	Three Months Ended September 30,		Six Months Ended September 30,	
		2018	2017	2018	2017
<b>OPERATING EXPENSES</b>					
Accounting and audit	5	\$ 47,400	\$ 6,000	\$ 63,300	\$ 10,500
Consulting		95,000	7,500	127,500	27,000
Filing and regulatory fees		11,192	12,041	17,199	17,902
Investor relations		34,408	31,138	127,242	88,098
Legal fees		4,054	-	7,168	5,922
Management fees	5	90,000	7,500	120,000	15,000
Office, travel and miscellaneous		26,306	28,114	67,121	31,522
Rent		3,600	6,995	7,200	14,079
Transfer agent fees		2,718	2,448	4,990	3,696
		(314,678)	(101,736)	(541,720)	(213,719)
Gain on accounts payable and accrued liabilities		12,731	-	12,731	-
Recovery of flow-through share premium liability	9	13,615	-	55,931	-
<b>Loss and comprehensive loss for the period</b>		<b>\$ (288,332)</b>	<b>\$ (101,736)</b>	<b>\$ (473,058)</b>	<b>\$ (213,719)</b>
<b>Basic and diluted loss per share</b>		<b>\$ (0.01)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of shares outstanding</b>		<b>52,122,075</b>	<b>26,164,213</b>	<b>51,152,355</b>	<b>26,139,732</b>

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

**GLACIER LAKE RESOURCES INC.**

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)

---

	<b>Number of Shares</b>	<b>Share Capital</b>	<b>Commitment to issue Shares</b>	<b>Share-based Payment Reserve</b>	<b>Deficit</b>	<b>Total</b>
Balance, March 31, 2017	26,024,213	\$ 4,089,423	\$ -	\$ 387,890	\$ (4,028,427)	\$ 448,886
Shares issued for settlement of accounts payable	140,000	21,000	-	-	-	21,000
Commitment to issue shares	-	-	20,340	-	-	20,340
Net loss for the period	-	-	-	-	(213,719)	(213,719)
<b>Balance, September 30, 2017</b>	<b>26,164,213</b>	<b>\$ 4,110,423</b>	<b>\$ 20,340</b>	<b>\$ 387,890</b>	<b>\$ (4,242,146)</b>	<b>\$ 276,507</b>
Balance, March 31, 2018	48,523,628	\$ 5,396,144	\$ 30,510	\$ 586,125	\$ (4,779,688)	\$ 1,233,091
Shares issued for exploration and evaluation assets	3,000,000	150,000	-	-	-	150,000
Commitment to issue shares	-	-	10,170	-	-	10,170
Shares issued for settlement of accounts payable	621,095	27,949	(40,680)	-	-	(12,731)
Shares issued for compensation	113,000	5,085	-	-	-	5,085
Net loss for the period	-	-	-	-	(473,058)	(473,058)
<b>Balance, September 30, 2018</b>	<b>52,257,723</b>	<b>\$ 5,579,178</b>	<b>\$ -</b>	<b>\$ 586,125</b>	<b>\$ (5,252,746)</b>	<b>\$ 912,557</b>

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

**GLACIER LAKE RESOURCES INC.**

Condensed Consolidated Interim Statements of Cash Flows  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)

	<b>Six Months Ended September 30,</b>	
	<b>2018</b>	<b>2017</b>
<b>OPERATING ACTIVITIES</b>		
Loss for the period	\$ (473,058)	\$ (213,719)
Items not affecting cash:		
Commitment to issue shares for investor relations	9,000	18,000
Shares issued for compensation	5,085	-
Gain on accounts payable and accrued liabilities	(12,731)	-
Recovery of flow-through share premium liability	(55,931)	-
Changes in non-cash operating working capital:		
Amounts receivable	9,540	1,885
Prepaid expenses	20,202	(59,250)
Share subscription receivable	55,000	-
Accounts payable and accrued liabilities	(15,082)	(35,724)
Due to related parties	115,500	(14,050)
Net cash used in operating activities	(342,475)	(302,858)
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation assets expenditures	(100,627)	(45,237)
Cost recoveries	35,849	-
Net cash used in investing activities	(64,778)	(45,237)
Change in cash	(407,253)	(348,095)
Cash, beginning of period	500,605	462,874
Cash, end of period	\$ 93,352	\$ 114,779

**Supplemental Cash Flow Information (Note 13)**

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

## **GLACIER LAKE RESOURCES INC.**

Notes to the Condensed Consolidated Interim Financial Statements  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)  
Six Months ended September 30, 2018 and 2017

---

### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Glacier Lake Resources Inc. (the “Company”) is a resource exploration company focused on acquiring and exploring resource properties in Canada and the USA.

The Company was incorporated on May 28, 2008 under the laws of British Columbia. The Company’s head office and registered office is Suite 1588, 609 Granville Street, Vancouver, British Columbia, V7Y 1G5. The Company is listed on the TSX Venture Exchange under the symbol “GLI”.

The condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company and its subsidiary’s functional currency.

### **2. BASIS OF PREPARATION**

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting. The significant accounting policies applied in these condensed consolidated interim financial statements are based on the IFRS issued and effective as of September 30, 2018.

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these condensed consolidated interim 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 condensed consolidated interim financial statements and reported amounts of expenses during the year. Actual results could differ from these estimates.

These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim 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.

Significant assumptions about the future and other sources of estimated uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the following:

- 1) the carrying value and the recoverability of exploration and evaluation assets, which are included in the statement of financial position;
- 2) deferred income tax asset valuation allowances; and
- 3) measurement of share-based payments.
- 4) the treatment of accounts payable and accrued liabilities realized through the statement of operations and comprehensive loss require certain management judgments. In management’s judgment, there is no further obligation associated with these amounts.

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

Six Months ended September 30, 2018 and 2017

---

### 2. BASIS OF PREPARATION (continued)

Application of the going concern assumption: the assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations in the period when the new information becomes available.

#### *Going concern*

These condensed consolidated interim financial statements have been prepared assuming the Company will continue 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. As at September 30, 2018, the Company has an accumulated deficit of \$5,252,746 and has not generated any revenues since inception, and expects to incur further losses in the development of its business. The ability of the Company to continue as a going concern depends on its ability to raise adequate financing and to develop profitable operations. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, and other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In addition, management closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur. These factors indicate the existence of a material uncertainty that may cast significant doubt the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

As the Company is in the exploration and evaluation stage, the Company has not identified a known body of commercial grade mineral on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body to finance its development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the property.

#### **Basis of Consolidation**

These condensed consolidated interim financial statements include the accounts of the Company, which is incorporated under the laws of British Columbia, and its wholly owned subsidiary, Glacier Lake Resources (Nevada) Inc. which is incorporated in Nevada, USA. All significant intercompany balances and transactions have been eliminated upon consolidation.

<b>Name of subsidiary</b>	<b>Incorporation</b>	<b>Interest September 30, 2018</b>	<b>Interest March 31, 2018</b>
Glacier Lake Resources (Nevada) Inc.	Nevada, USA	100%	N/A

## **GLACIER LAKE RESOURCES INC.**

Notes to the Condensed Consolidated Interim Financial Statements  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)  
Six Months ended September 30, 2018 and 2017

---

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited annual financial statements as at March 31, 2018. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2018.

#### **New Accounting Standards Issued But Not Yet Effective**

##### **IFRS 16 – Leases**

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The IASB issued IFRS 16, Leases, in January 2016, which replaces the current guidance in IAS 17. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted, but only in conjunction with IFRS 15.

The Company has not yet completed the process of assessing the impact of IFRS 16 will have on its condensed interim consolidated financial statements, or whether to early adopt this new requirement.

#### **New Accounting Standards Adopted During the Period**

##### **IFRS 9 – Financial Instruments ("IFRS 9")**

In July 2014, the IASB issued the final version of IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The Company adopted IFRS 9 on April 1, 2018 retrospectively and no differences of any significance have been noted in relation to the adoption of the standard.

##### **IFRS 15 – Revenue from Contracts with Customers ("IFRS 15")**

In May 2014, IASB issued IFRS 15 to replace IAS 18 – Revenue, which establishes a new single five-step control-based revenue recognition model for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The amended standard was adopted on April 1, 2018 and did not have an impact on the condensed consolidated interim financial statements.

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

Six Months ended September 30, 2018 and 2017

### 4. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets consist of:

	Silver Vista Property	Silver Star Property	Hackett & North Wolverine Properties	Colt Mesa Property	Other	Total
<b>Balance, March 31, 2017</b>	<b>\$ 129,359</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 129,359</b>
Expenditures during the year:						
Acquisition costs	40,671	65,000	-	-	140,000	245,671
Helicopter	13,131	-	-	-	-	13,131
Assays, staking & mapping	4,519	1,869	-	-	-	6,388
Geology	74,840	81,070	-	-	-	155,910
Field work & supplies	1,101	-	-	-	-	1,101
Drilling	195,190	-	-	-	-	195,190
Office, miscellaneous and travel	7,000	-	-	-	-	7,000
Total expenditures	336,452	147,939	-	-	140,000	624,391
<b>Balance, March 31, 2018</b>	<b>465,811</b>	<b>147,939</b>	<b>-</b>	<b>-</b>	<b>140,000</b>	<b>753,750</b>
Expenditures during the period:						
Acquisition costs	7,500	-	170,000	16,764	-	194,264
Assays, staking & mapping	31,783	-	2,752	-	-	34,535
Field work & supplies	114,457	-	12,498	-	-	126,955
Helicopter	4,500	-	-	-	-	4,500
Consulting and professional	2,669	-	-	-	-	2,669
Office, miscellaneous and travel	26,152	-	-	1,552	-	27,704
Total expenditures	187,061	-	185,250	18,316	-	390,627
Cost recoveries	(35,849)	-	-	-	-	(35,849)
<b>Balance, September 30, 2018</b>	<b>\$ 617,023</b>	<b>\$ 147,939</b>	<b>\$ 185,250</b>	<b>\$ 18,316</b>	<b>\$ 140,000</b>	<b>\$ 1,108,528</b>

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

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)  
Six Months ended September 30, 2018 and 2017

---

### 4. EXPLORATION AND EVALUATION ASSETS (continued)

#### Silver Vista Property, British Columbia

On March 15, 2017, the Company entered into an option agreement to acquire a 100% interest in the Silver Vista copper-silver property (the "Property") with Multiple Metals Resources Ltd. The Property consists of a series of 49 mineral claims located in the province of British Columbia. Following the exercise of the option, the Property will remain subject to a 2.5% net smelter return royalty.

The Company's obligations under the agreement include an aggregate of \$230,000 in option payments, the issuance of 750,000 shares of the Company, and incurring exploration expenditures on the Property of not less than \$600,000 as follows:

- (a) Cash to be paid:
  - (i) \$10,000 on or before the closing date (paid);
  - (ii) \$10,000 on or before November 11, 2017 (paid);
  - (iii) \$25,000 on or before May 11, 2018 (paid);
  - (iv) \$10,000 on or before November 11, 2018 (paid subsequently);
  - (v) \$50,000 on or before May 11, 2019; and
  - (vi) \$125,000 on or before May 11, 2020.
  
- (b) Shares to be issued:
  - (i) 350,000 common shares on or before May 11, 2019; and
  - (ii) 400,000 common shares on or May 11, 2020.
  
- (c) Exploration expenditures to be incurred:
  - (i) \$150,000 on or before May 11, 2018 (incurred);
  - (ii) an additional \$200,000 on or before May 11, 2019 (incurred); and
  - (iii) an additional \$250,000 on or before May 11, 2020.

#### Silver Star Property, British Columbia

On November 27, 2017, the Company signed a definitive agreement with an arm's-length vendor to acquire the Silver Star property located in the province of British Columbia. In consideration for the property, the Company issued 1,000,000 common shares on January 10, 2018 at a fair value of \$65,000.

#### Hackett and North Wolverine Properties, British Columbia

On April 18, 2018, the Company entered into an agreement to acquire the Hackett and the North Wolverine properties in the Sheslay area of northwestern British Columbia for consideration of 3,000,000 common shares (issued at a fair value of \$150,000) and a cash payment of \$20,000 (paid).

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)  
Six Months ended September 30, 2018 and 2017

---

### 4. EXPLORATION AND EVALUATION ASSETS (continued)

#### Colt Mesa Property, Utah, USA

On June 13, 2018, the Company entered into an agreement to acquire the Colt Mesa copper-cobalt property in Garfield County, southcentral Utah for consideration of 1,000,000 common shares and a cash payment of US \$120,000, staged over a two year period. The vendors retain a 1.75% Net Smelter Returns (“NSR”). The Company shall be entitled to purchase 1% of the royalty at any time through a one-time cash payment of US \$1,000,000 to the vendors.

(a) Cash to be paid:

- (i) \$15,000 USD on or before the closing date;
- (ii) \$25,000 USD on or before the one year anniversary of the closing date; and
- (iii) \$80,000 USD on or before the two year anniversary of the closing date;

(b) Shares to be issued:

- (i) 250,000 common shares on or before the closing date;
- (ii) 250,000 common shares on or before the one year anniversary of the closing date; and
- (iii) 500,000 common shares on or before the two year anniversary of the closing date.

#### Other

On November 22, 2017, the Company signed a definitive agreement with an arm's-length vendor to acquire certain mining claims located in the province of British Columbia. In consideration for the claims, the Company paid \$10,000 and issued 2,000,000 common shares on January 10, 2018 at a fair value of \$130,000.

### 5. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all Directors and Officers of the Company to be key management personnel.

During the periods ended September 30, 2018 and 2017, the Company was involved in the following related party transactions:

- (a) Incurred management fees of \$120,000 (2017 - \$15,000) to a company controlled by the President and Chief Executive Officer.
- (b) Incurred accounting fees of \$60,000 (2017 - \$9,000) to an accounting firm where the Chief Financial Officer of the Company is a partner.
- (c) As at September 30, 2018, the Company owed \$104,475 (March 31, 2018 - \$44,100) to an accounting firm where the Chief Financial Officer of the Company is a partner. The amount due is non-interest bearing, unsecured, and due on demand.
- (d) As at September 30, 2018, the Company owed \$128,950 (March 31, 2018 - \$73,825) to a company controlled by the President and Chief Executive Officer of the Company which is non-interest bearing, unsecured, and due on demand.

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

Six Months ended September 30, 2018 and 2017

---

### 6. SHARE CAPITAL

Authorized: Unlimited common shares without par value.

Share transactions for the period ended September 30, 2018:

- (a) 3,000,000 shares were issued at \$0.05 per share at a fair value of \$150,000 for exploration and evaluation assets (Note 4)
- (b) 621,095 shares were issued with a fair value of \$27,949 to settle accounts payable of \$40,680. Accordingly, the Company recorded a gain on settlement of accounts payable and accrued liabilities of \$12,731.
- (c) 113,000 shares were issued with a fair value of \$5,085 for compensation.

Share transactions for the year ended March 31, 2018:

- (a) 500,000 stock options were exercised at \$0.065 per share for proceeds of \$32,500.
- (b) 8,843,175 units were issued at \$0.06 per unit for gross proceeds of \$530,590. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to acquire an additional common share at a price of \$0.10 for a period of two years. In connection with this private placement, the Company incurred cash share issuance costs of \$35,343. The Company also issued 258,920 finders' warrants at a fair value of \$10,288. Each finders' warrant entitles the holder to acquire an additional common share at a price of \$0.10 for a period of two years. The Company also issued 259,200 finders' units at a fair value of \$12,037. Each finders' unit is exercisable at \$0.06 over a period of two years into units consisting of one common share and one share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of \$0.10 for a period of two years.
- (c) 3,000,000 shares were issued at \$0.065 per share at a fair value of \$195,000 for exploration and evaluation assets (Note 4).
- (d) 3,700,750 non-flow-through units were issued at \$0.06 per unit for gross proceeds of \$222,045 and 6,062,500 flow-through units were issued at \$0.08 per unit for gross proceeds of \$485,000. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to acquire an additional common share at a price of \$0.10 for the non-flow-through units and \$0.15 for the flow-through units for a period of two years. In connection with this private placement, the Company incurred cash share issuance costs of \$25,893, issued 77,560 finders' shares at a fair value of \$4,654 and issued 594,560 finders' warrants with a fair value of \$21,171. Each finders' warrant entitles the holder to acquire an additional common share at a price of \$0.10 for a period of two years. The Company estimated the value of the flow-through premium liability associated with the flow-through shares to be \$121,250.
- (e) 175,430 common shares were issued with a fair value of \$15,788 to settle accounts payable of \$18,420. Accordingly, the Company recorded a gain on settlement of accounts payable and accrued liabilities of \$2,632.
- (f) 140,000 common shares were issued with a fair value of \$21,000 to settle accounts payable and accrued liabilities of \$21,000.

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)  
Six Months ended September 30, 2018 and 2017

### 7. SHARE PURCHASE WARRANTS

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price \$
Balance, March 31, 2017	2,818,000	0.15
Expired	(2,818,000)	0.15
Granted	19,719,105	0.11
<b>Balance, March 31, 2018 and September 30, 2018</b>	<b>19,719,105</b>	<b>0.11</b>

The weighted average remaining contractual life of the warrants at September 30, 2018 is 1.35 years (March 31, 2018 – 1.85 years).

As at September 30, 2018, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
6,062,500	0.15	December 29, 2019
4,295,310	0.10	December 29, 2019
9,102,095	0.10	March 20, 2020
259,200	0.06	March 20, 2020*
<b>19,719,105</b>		

\*Finders' units exercisable at \$0.06 into one common share and one warrant. Each warrant is exercisable into a common share at \$0.10 expiring March 20, 2020.

The following weighted average assumptions were used for the Black-Scholes valuation of finders' warrants and finders' units granted during the year ended March 31, 2018 assuming no expected dividends:

	Year ended March 31, 2018
Risk-free interest rate	1.74%
Expected life (in years)	2
Expected volatility	125.68%

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)  
Six Months ended September 30, 2018 and 2017

### 8. STOCK OPTIONS

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option shall not be less than the discounted market price of the Company's stock on the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

	Number of Options	Weighted Average Exercise Price
Outstanding, March 31, 2017	1,350,000	0.14
Granted	2,250,000	0.11
Exercised	(500,000)	0.065
Outstanding, March 31, 2018 and September 30, 2018	3,100,000	\$ 0.11

The weighted average remaining contractual life of the options at September 30, 2018 is 2.42 years (March 31, 2018 – 2.92 years).

Additional information regarding stock options outstanding as at September 30, 2018 is as follows:

Outstanding and exercisable		
Exercise price	Number of shares	Expiry Date
\$ 0.20	750,000	December 30, 2018
0.07	250,000	August 26, 2019
0.07	350,000	December 13, 2019
0.15	350,000	May 4, 2020
0.075	400,000	December 1, 2022
0.07	500,000	February 13, 2023
0.09	500,000	March 26, 2023
	3,100,000	

During the year ended March 31, 2018, the Company granted 2,250,000 stock options with a fair market value of \$185,519 or \$0.08 per option which was charged to operations. The following weighted average assumptions were used for the Black-Scholes valuation of the stock options assuming no expected dividends or forfeitures:

	Year ended March 31, 2018
Risk-free interest rate	1.77%
Expected life (in years)	4.69
Expected volatility	170%

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)  
Six Months ended September 30, 2018 and 2017

---

### 9. FLOW-THROUGH SHARE PREMIUM LIABILITY

		Issued in December 2017
<b>Balance at March 31, 2017</b>	\$	-
Liability incurred on flow-through shares issued		121,250
Settlement of flow-through share premium liability on expenditures incurred		(61,085)
<b>Balance at March 31, 2018</b>	\$	60,165
Settlement of flow-through share premium liability on expenditures incurred		(55,931)
<b>Balance at September 30, 2018</b>	\$	4,234

During the year ended March 31, 2018, the Company issued flow-through shares and estimated the value of the flow-through premium associated with those shares to be \$121,250.

As at September 30, 2018, the Company must spend another \$12,701 to satisfy its remaining flow-through obligations.

### 10. FINANCIAL INSTRUMENTS AND RISKS

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

#### (a) Capital management

The Company manages its capital to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-term prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. As at September 30, 2018, the Company is not subject to externally imposed capital requirements.

#### (b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at September 30, 2018, the Company had a cash balance of \$93,352 (March 31, 2018 - \$500,605) and current liabilities of \$367,371 (March 31, 2018 - \$322,884). The Company is considered to be in the exploration and evaluation stage. Thus, it is dependent on obtaining regular financings in order to continue its exploration and evaluation programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash is invested in business accounts with quality financial institutions, is available on demand for the Company's programs, and is not invested in any asset-backed commercial paper.

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

Six Months ended September 30, 2018 and 2017

---

### 10. FINANCIAL INSTRUMENTS AND RISKS (continued)

#### (c) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and amounts receivable. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company's cash is held with a major Canadian based financial institution. Amounts receivable is comprised of GST refunds from the Canadian government. The carrying amount of financial assets represents the maximum credit exposure.

#### (d) Currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign currency risk.

#### (e) Interest rate risk

The Company is not exposed to interest rate risk.

#### (f) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. The ability of the Company to explore its mineral properties and future profitability of the Company are directly related to the market price of commodities. The Company monitors commodity prices to determine appropriate actions to be undertaken.

#### (g) Fair values

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value 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 that are not based on observable market data.

The fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

The estimated fair values of other financial instruments, including amounts and share subscriptions receivable, accounts payable and accrued liabilities, loan payable, and amounts due to related parties, are equal to their carrying values due to the short-term nature of these instruments.

## GLACIER LAKE RESOURCES INC.

Notes to the Condensed Consolidated Interim Financial Statements  
Unaudited – Prepared by Management  
(Expressed in Canadian Dollars)  
Six Months ended September 30, 2018 and 2017

---

### 11. SEGMENTED INFORMATION

The Company currently conducts substantially all of its operations in Canada and the USA in one business segment being the acquisition and exploration of resource properties.

### 12. COMMITMENTS

The Company entered into an agreement with AGORACOM in exchange for the online advertising, marketing and branding services (“Advertising Services”). Pursuant to the terms of the agreement, the Company will issue:

Total fee: \$45,000 + HST, to be paid by way of common shares of the Company as follows:

- \$9,000 + HST shares for services upon commencement on June 29, 2017 (issued);
- \$9,000 + HST shares for services at the end of the third month on September 29, 2017 (issued);
- \$9,000 + HST shares for services at the end of the sixth month on December 29, 2017 (issued);
- \$9,000 + HST shares for services at the end of the ninth month on March 29, 2018 (issued); and
- \$9,000 + HST shares for services at the end of the twelfth month on June 29, 2018 (issued).

### 13. SUPPLEMENTAL CASH FLOW INFORMATION

---

Non-cash investing and financing activities:	Period ended September 30, 2018	Period ended September 30, 2017
Shares issued for settlement of accounts payable that were included in exploration and evaluation expenditures	\$ -	\$ 21,000
Shares issued for settlement of accounts payable	27,949	-
Exploration and evaluation expenditures included in accounts payable	-	17,049
Fair value of shares issued for exploration and evaluation assets	150,000	-
Exploration advances transferred to exploration and evaluation assets	140,000	-