

THUNDERSTRUCK RESOURCES LTD.

Consolidated Financial Statements

November 30, 2017

and

November 30, 2016

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Thunderstruck Resources Ltd.,

We have audited the accompanying consolidated financial statements of Thunderstruck Resources Ltd. ("the Company"), which comprise the consolidated statements of financial position as at November 30, 2017 and 2016, and the consolidated statements of comprehensive loss, cash flows and changes in equity for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Thunderstruck Resources Ltd. as at November 30, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates that the Company is dependent upon its ability to raise adequate financing and generate profitable operations in the future. These conditions indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern.



CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
April 2, 2018

THUNDERSTRUCK RESOURCES LTD.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at November 30,	2017	2016
	\$	\$
Assets		
Current Assets		
Cash	224,169	244,398
Amounts receivable	7,776	10,692
Prepaid expenses	54,151	28,923
	286,096	284,013
Exploration and evaluation assets (note 4)	872,243	605,683
	1,158,339	889,696
Liabilities and Equity		
Current Liabilities		
Accounts payable and accrued liabilities (note 6)	119,650	212,829
	119,650	212,829
Equity		
Share capital (note 5(a))	2,713,895	1,729,150
Obligation to issue shares (note 5(a))	-	241,822
Reserves (note 5(d))	378,497	215,846
Deficit	(2,053,703)	(1,509,951)
	1,038,689	676,867
	1,158,339	889,696

See accompanying notes to the consolidated financial statements

Nature and continuance of operations (note 1)
Subsequent events (note 10)

Approved by the Board of Directors and authorized for issue on April 2, 2018.

"Bryce Bradley"

Bryce Bradley, Director

"Brien Lundin"

Brien Lundin, Director

THUNDERSTRUCK RESOURCES LTD.

Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

For the years ended November 30,	2017	2016
	\$	\$
Expenses		
Accounting and legal	59,517	72,069
Advertising and promotion	56,594	73,913
Automobile (note 6)	7,394	984
Consulting fees	49,500	31,116
Management fees (note 6)	123,573	122,000
Medical (note 6)	10,853	-
Office and administration	12,751	11,533
Relocation expenditures (note 6)	10,770	-
Rent (note 6)	5,650	-
Share-based compensation (note 5(d))	144,563	114,985
Shareholder communications	2,363	2,434
Telephone	4,622	2,589
Travel and accommodation	38,272	22,134
Trust and filing fees	19,874	20,488
Loss from operations	(546,296)	(474,245)
Foreign exchange gain(loss)	2,544	(3,462)
Net loss and comprehensive loss for the year	(543,752)	(477,707)
Weighted average number of common shares outstanding	36,431,775	24,631,445
Basic and diluted loss per share	\$ (0.01)	\$ (0.02)

See accompanying notes to the consolidated financial statements

THUNDERSTRUCK RESOURCES LTD.

Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

For the years ended November 30,	2017	2016
	\$	\$
Cash provided by (used for):		
Operating activities		
Net loss for the year	(543,752)	(477,707)
Items not involving the use of cash:		
Settlement of debt for shares	-	6,000
Share-based compensation	144,563	114,985
	(399,189)	(356,722)
Changes in non-cash operating capital:		
Amounts receivable	2,916	(5,257)
Prepaid expenses	(25,228)	22,609
Accounts payable and accrued liabilities	(119,813)	101,888
	(541,314)	(237,482)
Investing activity		
Exploration and evaluation expenditures	(239,926)	(266,841)
	(239,926)	(266,841)
Financing activities		
Shares issued for cash – net of share issue costs	761,011	445,305
Cash received for shares to be issued (note 9)	-	241,822
	761,011	687,127
Net change in cash during the year	(20,229)	182,804
Cash, beginning of the year	244,398	61,594
Cash, end of the year	224,169	244,398

Supplementary Disclosure:

At November 30, 2017, the Company had \$74,775 (2016 - \$866) in exploration expenditures included in accounts payable.

During the year ended November 30, 2016, the Company issued 450,000 common shares totaling \$36,000 pursuant to the terms of mineral property option agreements, issued 200,000 common shares totaling \$20,000 pursuant to the terms of equipment acquisition agreements.

See accompanying notes to the consolidated financial statements

THUNDERSTRUCK RESOURCES LTD.

Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Number of shares	Share capital	Obligation to issue shares	Reserves	Deficit	Total equity
November 30, 2015	20,801,500	\$ 1,171,845	\$ 50,000	\$ 100,861	\$ (1,032,244)	\$ 290,462
Private placement	10,000,000	500,000	(50,000)	-	-	450,000
Debt settlement	120,000	6,000	-	-	-	6,000
Shares issued per option agreement (note 3)	450,000	36,000	-	-	-	36,000
Shares issued for acquisition of mining equipment (note 4)	200,000	20,000	-	-	-	20,000
Share issue costs	-	(4,695)	-	-	-	(4,695)
Share-based compensation	-	-	-	114,985	-	114,985
Obligation to issue shares	-	-	241,822	-	-	241,822
Net loss for the year	-	-	-	-	(477,707)	(477,707)
November 30, 2016	31,571,500	1,729,150	241,822	215,846	(1,509,951)	676,867
Private placement	12,249,000	1,036,950	(241,822)	-	-	795,128
Share issue costs	-	(52,205)	-	18,088	-	(34,117)
Share-based compensation	-	-	-	144,563	-	144,563
Net loss for the year	-	-	-	-	(543,752)	(543,752)
November 30, 2017	43,820,500	2,713,895	-	378,497	(2,053,703)	1,038,689

See accompanying notes to the consolidated financial statements

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the years ended November 30, 2017 and 2016

(Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Thunderstruck Resources Ltd. (the "Company") was incorporated under the British Columbia Business Corporations Act on October 27, 2011 and its principal activity is the acquisition and exploration of mineral properties.

The Company's registered office address is Suite 2080 - 777 Hornby Street, Vancouver, BC V6Z 1S4 and its principal place of business is Suite 402 – 905 West Pender Street, Vancouver, BC V6C 1L6.

The Company's principal mineral property interest is its option to acquire a 100% interest in a project located on the main island of Fiji. The Company is in the process of exploring this project and has yet to determine if the project contains economically recoverable mineral reserves. The Company's continuing operations and the underlying value of the project is entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the project, obtaining the necessary permits to mine, future profitable production from any mine and any proceeds from the disposition of the project.

These consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has working capital of \$166,446 as at November 30, 2017, no source of operating revenue, and is dependent upon the future receipt of equity financing to maintain its operations and to advance its current project. The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise additional financing to maintain its working capital. At the present time, there are material uncertainties which cast significant doubt on the ability of the Company to continue as a going-concern.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the consolidated statements of financial position. However, management believes that the Company has sufficient working capital to meet its projected minimum financial obligations for the next fiscal year.

2. SIGNIFICANT ACCOUNTING POLICIES

a) 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 International Financial Reporting Interpretations Committee ("IFRIC").

b) Basis of measurement

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

These consolidated financial statements include the accounts of the Company and its 100% controlled entity, Thunderstruck Limited (a Fijian corporation) ("Thunderstruck Fiji") and Thunderstruck Fiji's 100% controlled entity, Aljen (Pacific) Limited (a private Fijian company).

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

These consolidated financial statements are presented in Canadian dollars, which is also all the entities' functional currencies.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements
For the years ended November 30, 2017 and 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c) Cash

Cash comprises cash holdings in a business account held at a major financial institution which are available on demand by the Company. As at November 30, 2017 and 2016, the Company does not hold any cash equivalents.

d) Financing costs

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

e) Use of judgements and estimates

The preparation of these consolidated financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are regularly evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. The following are the most significant accounting judgments and estimates that the Company has made in the preparation of these consolidated financial statements.

Critical judgements in applying accounting policies:

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:

- The determination that there are no pervasive indicators which would require an impairment provision in connection with the carrying value of the company's exploration and evaluation assets.
- The determination that the Company will continue as a going-concern for the next year.

Key sources of estimation uncertainty:

There were no 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 year.

f) Exploration and evaluation assets

Once a permit to explore an area has been secured, expenditures on exploration and evaluation assets are capitalized to exploration and classified as a non-current asset.

Exploration expenditures relate to the initial search for mineral deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

Exploration expenditure costs incurred are included in exploration and evaluation assets and these include any cash consideration and advance earn-in payments and the fair market value of shares issued, if any, related to the mineral property interests. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made.

All capitalized exploration and evaluation expenditures are monitored for indicators of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that an expenditure is not expected to be recovered, it is charged to income.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the years ended November 30, 2017 and 2016

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Once an economically viable reserve has been determined for an area and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to construction in progress within property, plant and equipment.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

g) Impairment

At each reporting period, management reviews all assets for indicators of impairment. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of the asset is 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 that period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which that asset belongs.

Past impairments are also considered at each reporting period and where there is an indication that an impairment loss may have decreased, the recoverable amount is calculated as outlined above to determine the extent of the recovery. If the recoverable amount of the asset is more than its carrying amount, the carrying amount of the asset is increased to its recoverable amount and the impairment loss is reversed in the profit or loss for that period. The increased carrying amount due to reversal will not be more than what the depreciated historical cost would have been if the impairment had not been recognized.

h) Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxation authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the years ended November 30, 2017 and 2016

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

i) Share capital

The Company records in share capital proceeds from share issuances, net of issuance costs and any tax effects. The fair value of common shares issued as consideration for mineral properties is based on the trading price of those shares on the TSX.V on the date of the share issuance. Stock options and other equity instruments issued as purchase consideration in non-monetary transactions are recorded at fair value determined by management using the Black-Scholes option pricing model. Proceeds from unit placements are allocated between shares and warrants issued according to the residual value method. Under this method, the Company first allocates the proceeds to the share, up to the assessed fair value. The remainder is allocated to the attached warrant.

j) Share-based payments

The Company's Stock Option Plan allows employees and consultants to acquire shares of the Company. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of the share-based payment is measured using the Black-Scholes option pricing model. The fair value of the share-based payment is recognized as an expense with a corresponding increase in reserves. Consideration received on the exercise of stock options are recorded as share capital and the related reserve amount is transferred to share capital.

k) Loss per share

Basic loss per share is calculated by dividing the loss available to common shareholders by the weighted average number of common shares outstanding in the period. Diluted loss per share is calculated by using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. Where the effects of including all outstanding options and warrants would be anti-dilutive, no dilution is calculated and the diluted loss per share is presented as the same as basic loss per share.

l) Financial instruments

(i) Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are initially recognized at fair value with changes in fair value recorded through income. Cash has been classified under this category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are carried at amortized cost less any impairment. Amounts receivable have been classified under this category.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements
For the years ended November 30, 2017 and 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) Financial liabilities

The Company classifies its financial liabilities in the following categories: borrowings and other financial liabilities and derivative financial liabilities.

Borrowings and other financial liabilities

Borrowings and other financial liabilities are non-derivative and are recognized initially at fair value, net of any transactions costs incurred and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in the statement of loss over the period to maturity using the effective interest method. Borrowings and other financial liabilities are classified as current or non-current based on their maturity date. Accounts payable, accrued liabilities and balances due to related parties have been classified under this category.

Derivative financial liabilities

Derivative financial liabilities are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at each reporting period with changes in the fair value recognized in profit or loss. There are no financial liabilities classified under this category.

m) Application standards adopted, or issued, but not yet effective

The Company adopted no material new accounting standards during the current fiscal year, and is unaware of any applicable, but not-yet adopted standard that are expected to materially affect the financial statements of future periods.

3. ACQUISITION OF ALJEN (PACIFIC) LIMITED

On October 18, 2016, the Company completed the acquisition of Aljen (Pacific) Limited (“Aljen”) the private Fijian company holding legal title to the Properties, pursuant to a Share Sale Agreement (the “Agreement”)(see note 4). Upon completion of the Agreement, Thunderstruck Fiji acquired 100% of the outstanding share capital of Aljen consisting of 50,000 shares.

The Company has recorded the purchase of assets of Aljen as follows:

Purchase price consideration:	\$
Value of 450,000 shares issued at \$0.08 per share	36,000
Cash payments	159,000
Total	195,000
<hr/>	
Assets acquired and liabilities assumed:	\$
Assets	
Cash	146
Prepaid expenses	6,539
Exploration and evaluation assets	198,581
	205,266
Liabilities	
Accounts payable	(10,266)
	195,000

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements
For the years ended November 30, 2017 and 2016
(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Fijian VMS Project, Fiji
	\$
Balance, November 30, 2015	415,701
Acquisition costs	195,000**
Recovery of previously accrued acquisition costs	(136,997)*
Camp cost, travel and accommodation	13,312
Development	176
Equipment	20,000
Field office	15,499
Geological, geophysical and geochemical	(40,431)*
Management	123,423
Balance, November 30, 2016	605,683
Acquisition costs	3,581**
Assay	20,849
Camp cost, travel and accommodation	38,896
Community relations	8,606
Field office	35,478
Field supplies and equipment	12,974
Geological, geophysical and geochemical	43,479
Management	122,977
Consulting	5,000
Recovery of VAT	(25,280)
Balance, November 30, 2017	872,243

*recoveries resulted from the reversal of previously accrued obligations under the July 10, 2014 option agreement described below.

**represents total exploration and evaluation costs of \$198,581 recorded upon completion of the Aljen acquisition (see note 3)

Fijian VMS Project, Island of Viti Levu, Fiji

On July 10, 2014, the Company entered into a mineral property option agreement with Aljen (Pacific) Limited (the “Vendor”), pursuant to which the Company had the option to acquire 100% of the rights, title and interest in the Vendor’s portfolio of base metal and gold properties located on the island of Viti Levu, Fiji (the “Properties”).

To exercise its option to acquire a 100% interest in the Properties, the Company was to pay an aggregate of AUD\$600,000 and issue an aggregate of 1,500,000 common shares to the Vendor, in stages over three years. In addition, the Company had agreed to incur minimum exploration expenditures on the Properties of AUD\$1,500,000 during the term of the option.

On August 4, 2016, the Company entered into a Share Sale Agreement (the “Agreement”) with Aljen Holdings Pty Ltd. (a private Australian company) and Alan and Jenny Wolstencroft (the principals of Aljen Holdings Pty Ltd., and collectively, the “Vendors”). Under the Agreement, Thunderstruck will acquire all of the issued and outstanding share capital of Aljen (Pacific) Limited (“Aljen”), the private Fijian company holding legal title to the Properties. This Agreement supersedes an earlier option agreement dated July 10, 2014, described above, and releases the Company from certain obligations related to that earlier agreement.

Pursuant to the Agreement, the Company is required to: i) upon closing pay cash of AUS\$158,000 plus VAT (paid) and issue 450,000 common shares of the Company (issued); ii) within 5 business days of receiving certain landowner approvals, prior to August 4, 2018, relating to the Company’s Fijian VMS Project, pay a further AUS\$75,000 plus VAT and issue 350,000 common shares of the Company; and iii) issue a further 1,000,000 common shares of the Company in the event the Company or

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the years ended November 30, 2017 and 2016

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS *(continued)*

its successors either a) identify indicated mineral resources (or better and as prepared in compliance with NI 43-101) containing a minimum of 250,000 ounces of gold or 3,000,000 tonnes of copper, zinc or silver on the Properties; or b) completes a prefeasibility study on the Properties. Any amounts paid pursuant to items ii) and iii) above will be recorded as additional consideration if and when incurred.

October 18, 2016, the Company announced that it had completed the acquisition of the shares of Aljen, after receiving Exchange approval and making the payments and issuances, as described above, required upon closing.

The Company's current mineral property interest is located in Fiji and its interest in this mineral property is maintained pursuant to an agreement with the titleholder. The Company is satisfied that evidence of title to the property is adequate and acceptable to prevailing Fijian standards with respect to the current stage of exploration on this property. Although the Company is unaware of any defects in title to its property, no guarantee can be made that none exist.

5. SHARE CAPITAL

a) *Authorized share capital*

At November 30, 2017 and 2016, the authorized share capital consisted of an unlimited number of common shares without par value and an unlimited number of preferred shares with no par value.

Issued share capital

For the Year Ended November 30, 2017

On December 23, 2016, the Company completed a private placement totalling 2,851,500 units at \$0.10 per unit, with each unit consisting of one common share and one half of one share purchase warrant. Each warrant is exercisable to acquire one common share for \$0.15 per share for a period of 36 months. The warrants are subject to accelerated exercise provisions such that if the closing price of the Company's common shares exceeds \$0.25 per share for a period of 20 consecutive trading days, the Company may give notice of the acceleration of the warrants' term to a period of 30 days following such notice.

On September 6, 2017, the Company completed a private placement totalling 9,397,500 units at \$0.08 per unit, with each unit consisting of one common share, and one share purchase warrant. Each warrant is exercisable to acquire one common share for \$0.15 per share until September 6, 2020. The warrants are subject to accelerated exercise provisions such that if the closing price of the Company's common shares exceeds \$0.25 per share for a period of 20 consecutive trading days, the Company may give notice of the acceleration of the warrants' term to a period of 30 days following such notice. Finders fees of \$22,400 were paid in cash, and 280,000 finder's warrants were issued bearing the same terms as the warrants forming part of the units.

For the year ended November 30, 2016

On January 7, 2016, the Company issued 120,000 shares at a value of \$0.05 to settle a vendor debt of \$6,000.

On February 29, 2016, the Company completed a private placement totaling 2,000,000 units at \$0.05 per unit, with each unit consisting of one common share and one share purchase warrant. Each warrant is exercisable to acquire one common share for \$0.10 per share until March 1, 2019. The warrants are subject to accelerated exercise provisions such that if the closing price of the Company's common shares exceeds \$0.20 per share for a period of 20 consecutive trading days, the Company may give notice of the acceleration of the warrants' term to a period of 30 days following such notice.

On June 1, 2016, the Company issued 200,000 common shares at a value of \$0.10 to Arcadia Mining Ltd. for the acquisition of mining equipment (see note 4).

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements
For the years ended November 30, 2017 and 2016
(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

On August 25, 2016, the Company completed a private placement totaling 8,000,000 units at \$0.05 per unit, with each unit consisting of one common share and one half of one share purchase warrant. Each whole warrant is exercisable to acquire one common share for \$0.10 per share until August 25, 2019. The warrants are subject to accelerated exercise provisions such that if the closing price of the Company's common shares exceeds \$0.20 per share for a period of 20 consecutive trading days, the Company may give notice of the acceleration of the warrants' term to a period of 30 days following such notice.

On October 5, 2016, the Company issued 450,000 common shares pursuant to the Share Purchase Agreement with Aljen (Pacific) Limited (see notes 3 and 4).

b) Share purchase options

The Company has established a stock option plan for its directors, officers and technical consultants under which the Company may grant options from time to time to acquire a maximum number of common shares of up to 10% of the issued and outstanding Common Shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors, provided that such price shall not be lower than the Initial Public Offering share price. Options may be granted for a maximum term of ten years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company. Unless otherwise stated, the options fully vest when granted.

The following is a summary of the changes in the Company's outstanding stock options:

	2017		2016	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		\$		\$
Balance at the beginning of the year	2,875,000	0.08	1,425,000	0.07
Granted	1,575,000	0.09	1,450,000	0.085
Expired	(200,000)	0.10	-	-
Outstanding, end of the year (1)	4,250,000	0.08	2,875,000	0.08

(1) At November 30, 2017, the weighted-average remaining contractual life of stock options outstanding is 7.37 years (2016 – 6.55 years).

Summary of stock options outstanding and exercisable at November 30, 2017:

Number Outstanding and Exercisable	Exercise Price	Expiry Date
	\$	
740,000	0.05	May 28, 2019
120,000	0.10	April 14, 2020(i)
150,000	0.10	April 18, 2020
215,000	0.05	September 22, 2025
1,450,000	0.085	August 26, 2026 (ii)
450,000	0.10	April 13, 2027 (iii)
1,125,000	0.09	September 6, 2027 (iv)
4,250,000		

(i) Subsequently expired due to resignation of a director

(ii) 50,000 options subsequently expired due to resignation of a director

(iii) 150,000 options subsequently expired due to resignation of a director

(iv) 150,000 options subsequently expired due to resignation of a director

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5. SHARE CAPITAL (continued)

c) *Share purchase warrants*

The following is a summary of the changes in the Company's outstanding warrants:

	2017		2016	
	Number of warrants	Weighted Average Exercise Price	Number of warrants	Weighted Average Exercise Price
Balance at the beginning of the year	11,597,000	\$ 0.10	6,849,250	\$ 0.11
Granted	11,103,250	0.15	6,000,000	0.10
Expired	-	-	(1,252,250)	0.15
Outstanding, end of the year	22,700,250	0.12	11,597,000	0.10

Summary of warrants outstanding at November 30, 2017:

Number Outstanding	Exercise Price	Expiry Date
	\$	
3,097,000	0.10	July 22, 2017*
2,500,000	0.10	September 22, 2017*
2,000,000	0.10	March 1, 2019
4,000,000	0.10	August 25, 2019
1,425,750	0.15	December 22, 2019
9,677,500	0.15	September 6, 2020
22,700,250		

*The Company extended the expiry of these warrants by three years from 2017, to 2020.

d) *Share-based payment reserve*

During the year ended November 30, 2017, the Company granted the following options:

- 450,000 stock options with a fair value of \$44,550, or \$0.0989 per option
- 1,125,000 stock options with a fair value of \$100,012, or \$0.0889 per option.

During the year ended November 30, 2016, the Company granted 1,450,000 stock options with a fair value of \$114,985, or \$0.0793 per option.

The following weighted average assumptions were used for the Black Scholes valuation of stock options granted:

	2017	2016
Risk-free interest rate	1.46 – 1.94%	0.66%
Expected life	10 years	10 years
Expected volatility	157.11 – 161.55%	165.53%
Dividend rate	0.00%	0.00%

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6. RELATED PARTY TRANSACTIONS

Key management personnel compensation:

	2017	2016
	\$	\$
Automobile (i)	7,394	-
Consulting fees	2,000	28,616
Management fees	208,183	216,628
Medical (i)	10,853	-
Professional fees	8,000	8,000
Relocation expenditures (i)	10,770	-
Rent (i)	5,650	-
Share-based compensation	89,000	83,265
Total key management compensation	341,850	336,509

(i) Expenses paid on behalf of the CEO or to a company owned by the CEO per the CEO's consulting agreement

As at November 30, 2017, the Company owes a director and officer of the Company \$69,640 (2016 - \$125,761) for administrative expenses and professional fees provided. All amounts are included in accounts payable and accrued liabilities.

7. CAPITAL MANAGEMENT

The Company's primary objective for managing its capital structure is to maintain financial capacity for the purpose of sustaining the future development of the business and maintaining investor, creditor and market confidence.

The Company considers its capital structure to include shareholders' equity and working capital. To effectively manage its resources and minimize risks, the Company prepares annual expenditure budgets that are updated as necessary depending on factors including success of programs and general industry conditions. In the event that adjustments to the capital structure are necessary, the Company may consider issuing additional equity, raising debt or revising its capital investment programs.

The Company's share capital is not subject to any external restrictions. The Company has not paid or declared any dividends since the date of incorporation, nor are any currently contemplated. There have been no changes to the Company's approach to capital management during the year.

8. FINANCIAL INSTRUMENT RISKS

The Company's financial instruments are exposed to the following risks:

Credit Risk

The Company's primary exposure to credit risk is the risk of illiquidity of cash, amounting to \$244,169 at November 30, 2017 (2016 - \$244,398). As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, the credit risk is considered by management to be negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet operating accounts payable requirements. The Company has maintained sufficient cash balances to meet these needs at November 30, 2017.

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8. FINANCIAL INSTRUMENT RISKS (continued)

Foreign Exchange Risk

The Company has foreign exchange risk as its activities are carried out in Canada and Fiji and all of its financial assets and liabilities are denominated in Canadian dollars.

Interest Rate Risk

The Company has been exposed to interest rate risk on its cash and cash equivalents. The majority of these deposits have been in discounted instruments with pre-determined fixed yields. Interest rate movements will affect the fair value of these instruments so the Company manages maturity dates of these instruments to match cash flow needs, enabling realization at no loss in almost all cases. At November 30, 2017, the Company maintained all of its cash balance on deposit in a chequing account with a major Canadian bank and a major Fijian bank.

Fair Value of Financial Instruments

The fair value classification of the Company's financial instruments as at November 30, 2017 and 2016 are as follows:

	2017			2016	
	Fair value level	Fair value through profit or loss	Loans and receivables and other financial liabilities at amortized cost	Fair value through profit or loss	Loans and receivables and other financial liabilities at amortized cost
		\$	\$	\$	\$
<i>Financial assets:</i>					
Cash	1	244,169	-	244,398	-
		244,169	-	244,398	-
<i>Financial liabilities:</i>					
Accounts payable and accrued liabilities		-	119,650	-	212,829
		-	119,650	-	212,829

During the years ended November 30, 2017 and 2016, there were no transfers between level 1, level 2 and level 3 classified assets.

9. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2017	2016
	\$	\$
Net loss before income taxes for the year	(543,752)	(477,707)
Expected income tax recovery	(141,000)	(124,000)
Change in statutory tax rates	-	-
Permanent differences	29,000	28,000
Items non-deductible for income tax purposes	108,000	23,000
Change in unrecognized deductible temporary differences	4,000	73,000
Total income tax recovery	-	-

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9. INCOME TAXES (continued)

Subject to confirmation with regulatory authorities, deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

	2017	2016
Deferred tax assets(liability):	\$	\$
Share issue costs	36,000	24,000
Exploration and evaluation assets	159,000	(179,000)
Non-capital losses carried forward	1,723,000	1,305,000
	1,918,000	1,150,000

The Company has Canadian non-capital losses of approximately \$1,723,000 (2016 - \$1,305,000) which will be available to reduce future taxable income in Canada. The respective non-capital losses will begin to expire in 2031 until 2036.

The Canadian non-capital losses, if not utilized, will expire in the years presented below:

2032	86,000
2033	143,000
2034	265,000
2035	427,000
2036	384,000
2037	418,000
	<u>\$ 1,723,000</u>

10. SUBSEQUENT EVENTS

On March 13, 2018, the Company completed a non-brokered private placement of 5,375,000 units at a price of \$0.08 per unit for gross proceeds of \$430,000. Each Unit consists of one common share and one share purchase warrant (“Warrant”). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.15 per share for a period of 36 months from closing. The warrants will be subject to accelerated exercise provisions such that if the closing price of the Company’s common shares exceeds \$0.25 per share for a period of 20 consecutive trading days, the Company may give notice of the acceleration of the warrants’ term to a period of 30 days following such notice.

On March 13, 2018, the Company issued 1,150,000 stock options to certain directors, officers and consultants at a price of \$0.09, for a period of ten years.