

THUNDERSTRUCK RESOURCES LTD.

Consolidated Financial Statements

For the thirteen months ended December 31, 2018

and

the year ended November 30, 2017

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Thunderstruck Resources Ltd.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Thunderstruck Resources Ltd. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and November 30, 2017, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the thirteen months ended December 31, 2018 and the twelve months ended November 30, 2017, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects the consolidated financial position of the Company as at December 31, 2018 and November 30, 2017, and its consolidated financial performance and its consolidated cash flows for the periods then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has no source of revenue, has a working capital deficiency as at December 31, 2018 and is dependent upon the future receipt of equity financing to maintain its operations. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, 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.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is G. Cameron Dong.

A handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada
April 30, 2019

THUNDERSTRUCK RESOURCES LTD.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	December 31, 2018	November 30, 2017
	\$	\$
ASSETS		
Current assets		
Cash	36,950	224,169
Amounts receivable	34,060	7,776
Prepaid expenses	35,210	39,509
	106,220	271,454
Equipment (note 4)	22,295	-
Exploration advances and deposits	33,160	14,642
Exploration and evaluation asset (note 3)	1,387,800	872,243
Total Assets	1,549,475	1,158,339
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities (note 6)	163,755	119,650
	163,755	119,650
EQUITY		
Share capital (note 5(a))	3,499,806	2,713,895
Subscription receivable	(10,000)	-
Reserves (note 5(e))	517,568	378,497
Deficit	(2,621,654)	(2,053,703)
Total equity	1,385,720	1,038,689
Total Equity and Liabilities	1,549,475	1,158,339

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 30, 2019.

On behalf of the Board:

"Bryce Bradley"

(Director)

"Brien Lundin"

(Director)

THUNDERSTRUCK RESOURCES LTD.

Consolidated Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

	Thirteen months ended December 31, 2018	Year ended November 30, 2017
	\$	\$
EXPENSES		
Accounting and legal fees	42,896	59,517
Advertising and promotion	115,247	56,594
Automobile	3,828	7,394
Consulting fees	14,000	49,500
Foreign exchange gain	(2,558)	(2,544)
Management fees	130,000	123,573
Medical	2,800	10,853
Office and miscellaneous	28,041	12,751
Relocation expenses	-	10,770
Rent	6,000	5,650
Share-based compensation (Note 5(e))	107,821	144,563
Shareholder communication	3,225	2,363
Telephone	9,604	4,622
Travel and accommodation	70,176	38,272
Trust and filing fees	36,871	19,874
Comprehensive loss	(567,951)	(543,752)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.01)
Weighted average common shares outstanding	49,581,878	36,431,775

See accompanying notes to the consolidated financial statements

THUNDERSTRUCK RESOURCES LTD.

Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

	Thirteen months ended December 31, 2018	Year ended November 31, 2017
	\$	\$
Cash provided by (used for):		
Operating activities		
Net loss for the period	(567,951)	(543,752)
Item not involving the use of cash:		
Share-based compensation	107,821	144,563
Changes in non-cash operating capital:		
Amounts receivable	(26,284)	17,558
Prepaid expenses	4,299	(25,228)
Accounts payable and accrued liabilities	66,986	(119,813)
Cash used in operating activities	(415,129)	(526,672)
Investing activities		
Exploration advances and deposits	(18,518)	(14,642)
Equipment	(26,968)	-
Exploration and evaluation expenditures	(533,765)	(239,926)
Cash used in investing activities	(579,251)	(254,568)
Financing activities		
Shares issued for cash – net of share issue costs	807,161	761,011
Cash provided by financing activities	807,161	761,011
Net cash used during the period	(187,219)	(20,229)
Cash, beginning of the period	224,169	244,398
Cash, end of the period	36,950	224,169

Supplementary disclosure:

At December 31, 2018, the Company had \$51,894 (November 30, 2017 - \$74,775) of exploration expenditures in accounts payable and recorded depreciation of \$4,673 (November 30, 2017 - \$Nil) to exploration expenditures.

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	Subscription receivable	Obligation to issue shares	Reserves	Deficit	Total
		\$	\$	\$	\$	\$	\$
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
Private placement	10,790,667	816,550	(10,000)	-	31,250	-	837,800
Share issue costs	-	(30,639)	-	-	-	-	(30,639)
Share-based compensation	-	-	-	-	107,821	-	107,821
Net loss for the period	-	-	-	-	-	(567,951)	(567,951)
December 31, 2018	54,611,167	3,499,806	(10,000)	-	517,568	(2,621,654)	1,385,720

See accompanying notes to the consolidated financial statements

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(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 488 – 1090 West Georgia Street, Vancouver, BC V6E 3V7.

The Company's principal mineral property interest is its 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 deficiency of \$47,535 as at December 31, 2018, 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.

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) Change in year-end

The Company changed its financial year end from November 30 to December 31, effective for the period ended December 31, 2018. As a result of the change in year-end, the comparative amounts are not directly comparable with the current period's balance.

c) 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 Fijian corporation).

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c) **Basis of measurement** *(continued)*

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 currency.

d) **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 December 31, 2018 and November 30, 2017, the Company does not hold any cash equivalents.

e) **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.

f) **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.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

f) Use of judgements and estimates *(continued)*

Key sources of estimation uncertainty:

Significant assumptions about the future and other sources of estimation 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:

Share-based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Equity-settled transactions with non-employees are recorded at the fair value of the service provided, where this is readily determinable. In other instances, they are recorded at the fair value of the equity instruments issued. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share-based award, volatility and dividend yield and making assumptions about them.

Deferred tax assets

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

g) 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.

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.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

h) 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.

i) 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.

j) 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 Venture Exchange 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.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

k) 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.

l) 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.

m) Financial instruments

On December 1, 2017, the Company adopted IFRS 9 – Financial Instruments (“IFRS 9”) which replaced 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 significant changes to hedge accounting. The Company adopted the standard retrospectively. IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities. The following accounting policies with respect to financial instruments reflect the adoption of IFRS 9.

Financial instruments are recognized on the date on which the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the rights to receive cash flow from assets have expired or have been transferred and the Company has transferred all the risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled, or expires. All financial instruments are initially recognized at fair value and measurement in subsequent periods is dependent upon the classification of the financial instrument.

(i) Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss, or amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial 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 in profit or loss.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

m) Financial instruments *(continued)*

Amortized cost

Financial assets are classified at amortized cost if both of the following criteria are met and the financial assets are not classified or designated as at fair value through profit and loss: 1) the Company's objective for these financial assets is to collect their contractual cash flows and 2) the asset's contractual cash flows represent 'solely payments of principal and interest'. The Company's cash and cash equivalents, and receivables are recorded at amortized cost as they meet the required criteria.

(ii) Financial liabilities

Financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs, 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 profit or loss over the period to maturity using the effective interest method.

Financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities.

(iii) Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

n) Equipment

The Company has acquired a vehicle for use in its exploration activities. Depreciation is recognized using the straight-line method at the rate of 25% per annum.

o) Standards issued or amended but not yet effective

IFRS 16 Leases

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation and disclosure of leases, including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases, as is required by IAS 17 Leases, and instead introduces a single lessee accounting model. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The impact of IFRS 16 on the Company's consolidated financial statements is not anticipated to be material.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

3. EXPLORATION AND EVALUATION ASSETS

	Fijian VMS Project, Fiji
	\$
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
Assay	22,765
Camp costs	61,549
Community relations	383
Depreciation	4,673
Development	57,412
Field office	71,559
Supplies	5,924
Geological	156,595
Management	134,697
Balance, December 31, 2018	1,387,800

Fijian Project, Island of Viti Levu, Fiji

On August 4, 2016, the Company entered into a Share Sale Agreement (the “Agreement”) to acquire all of the issued and outstanding shares of Aljen (Pacific) Limited (“Aljen”), a private Fijian company holding legal title to portfolio of base metal and gold properties located on the island of Viti Levu, Fiji (the “Properties”).

Pursuant to the Agreement, the Company paid cash of AUD\$158,000 plus VAT and issued 450,000 common shares of the Company. The Company is required to issue a further 1,000,000 common shares of the Company in the event the Company or 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.

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.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

4. EQUIPMENT

	Vehicle
Cost	
Balance, November 30, 2016 and 2017	\$ -
Additions	26,968
Balance, December 31, 2018	\$ 26,968
Accumulated Depreciation	
Balance, November 30, 2016 and 2017	\$ -
Depreciation expense	4,673
Balance, December 31, 2018	\$ 4,673
Net Book Value	
Balance, November 30, 2017	\$ -
Balance, December 31, 2018	\$ 22,295

5. SHARE CAPITAL

a) *Authorized share capital*

At December 31, 2018 and November 30, 2017 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.

b) *Issued share capital*

For the Thirteen Months Ended December 31, 2018

On March 13, 2018, the Company completed a private placement totalling 5,375,000 units at \$0.08 per unit for total gross proceeds of \$430,000, 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 for a period of 3 years.

On May 25, 2018, the Company completed a private placement totalling 2,262,000 units at \$0.09 per unit for total gross proceeds of \$203,580, 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 for a period of 3 years.

On October 9, 2018, the Company completed a private placement totalling 1,250,000 units at \$0.08 per unit for total gross proceeds of \$100,000, 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 for a period of 3 years. Under the residual method, the Company allocated \$68,750 and \$31,250 to the common shares and warrants respectively.

On November 9, 2018, the Company completed a private placement totalling 1,903,667 units at \$0.06 per unit for total gross proceeds of \$114,220, 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 \$0.15 per share for a period of 3 years.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

b) Issued share capital (continued)

During 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 for total gross proceeds of \$285,150, 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.

On September 6, 2017, the Company completed a private placement totalling 9,397,500 units at \$0.08 per unit for total gross proceeds of \$751,800, 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. Finders fees of \$22,400 were paid in cash, and 280,000 finder's warrants valued at \$18,088 were issued bearing the same terms as the warrants forming part of the units.

c) 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. 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:

	December 31, 2018		November 30, 2017	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		\$		\$
Balance, beginning of the period	4,250,000	0.08	2,875,000	0.08
Granted	1,450,000	0.08	1,575,000	0.09
Expired/Forfeited	(500,000)	0.09	(200,000)	0.10
Balance, end of the period (1)	5,200,000	0.08	4,250,000	0.08

(1) At December 31, 2018, the weighted-average remaining contractual life of stock options outstanding is 7.10 years (November 30, 2017 – 7.37 years).

THUNDERSTRUCK RESOURCES LTD.

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For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

c) *Share purchase options (continued)*

Summary of stock options outstanding and exercisable at December 31, 2018:

Number Outstanding and Exercisable	Exercise Price	Expiry Date
	\$	
740,000	0.05	May 28, 2019
150,000	0.10	April 18, 2020
185,000	0.05	September 22, 2025
1,400,000	0.085	August 26, 2026
300,000	0.10	April 13, 2027
975,000	0.09	September 6, 2027
1,150,000	0.09	March 13, 2028
300,000	0.055	October 9, 2028
5,200,000		

d) *Share purchase warrants*

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

	December 31, 2018		November 30, 2017	
	Number of warrants	Weighted Average Exercise Price	Number of warrants	Weighted Average Exercise Price
		\$		\$
Balance, beginning of the period/year	22,700,250	0.12	11,597,000	0.10
Granted	9,838,835	0.15	11,103,250	0.15
Balance, end of the period/year	32,539,085	0.13	22,700,250	0.12

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

d) *Share purchase warrants (continued)*

Summary of warrants outstanding at December 31, 2018:

Number Outstanding	Exercise Price	Expiry Date
	\$	
3,097,000	0.10	July 22, 2020
2,500,000	0.10	September 22, 2020
2,000,000	0.10	March 1, 2019 ⁽²⁾⁽³⁾
4,000,000	0.10	August 25, 2019 ⁽²⁾
1,425,750	0.15	December 22, 2019 ⁽¹⁾
9,677,500	0.15	September 6, 2020 ⁽¹⁾
5,375,000	0.15	March 13, 2021 ⁽¹⁾
2,262,000	0.15	May 25, 2021 ⁽¹⁾
1,250,000	0.15	October 9, 2021 ⁽¹⁾
951,835	0.15	November 9, 2021 ⁽¹⁾
32,539,085		

(1) The warrants are subject to an accelerated exercise provision 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' terms to a period of 30 days following such notice.

(2) The warrants are subject to an accelerated exercise provision 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' terms to a period of 30 days following such notice.

(3) Subsequent to year ended December 31, 2018, the warrant term has been extended to February 28, 2021.

e) *Share-based payment reserve*

During the year ended December 31, 2018, the Company granted the following options:

- 1,150,000 options with a fair value of \$ 91,597, or \$0.7965 per option.
- 300,000 options with a fair value of \$16,223, or \$0.0541 per option.

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.

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

	December 31, 2018	November 30, 2017
Risk-free interest rate	2.24%	1.80%
Expected life	10 years	10 years
Expected volatility	142.48%	158.38%
Dividend rate	0.00%	0.00%

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS

Key management personnel compensation:

	December 31, 2018	November 30, 2017
	\$	\$
Automobile ⁽¹⁾	3,828	7,394
Consulting fees ⁽²⁾	9,500	2,000
Management fees ⁽³⁾	187,476	208,183
Medical ⁽¹⁾	2,800	10,853
Professional fees	6,000	8,000
Relocation expenditures ⁽¹⁾	-	10,770
Rent and office ⁽¹⁾	16,000	5,650
Share-based compensation	82,500	89,000
Total key management compensation	308,104	341,850

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

(2) Consulting fee include fees for former CFO and for a company where current CFO is an associate

(3) Management fees include fees for CEO and a director of a significant subsidiary.

As at December 31, 2018, the Company owes various directors and officers of the Company \$65,916 (November 30, 2017 - \$69,640) 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 \$36,950 at December 31, 2018 (November 30, 2017 - \$244,169). 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.

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian dollars)

8. FINANCIAL INSTRUMENT RISKS *(continued)*

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 December 31, 2018.

Foreign Exchange Risk

The Company's has engaged a number of vendors in the pursuit of mineral exploration activities in Fiji. As such, the Company is exposed to some foreign currency risk. Fluctuations in the exchange rate between the Canadian dollar and Fijian dollar may have an adverse effect on the Company's business and costs to proceed with preferred vendors. The Company may reduce its foreign currency risk as needed by substituting Canadian vendors as required. Foreign currency risk is considered low relative to the overall financial operating plan.

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 December 31, 2018, the Company maintained all of its cash balance on deposit in chequing accounts with a major Canadian bank and a major Fijian bank.

Fair Value of Financial Instruments

The Company's cash, amounts receivable and accounts payable and accrued liabilities are carried at amortized cost.

9. INCOME TAXES

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

	2018	2017
Net loss before income taxes for the year	\$ (567,951)	\$ (543,752)
Expected income tax recovery	(154,000)	(141,000)
Permanent differences	22,000	29,000
Items non-deductible for income tax purposes	106,000	108,000
Change in unrecognized deductible temporary differences	26,000	4,000
Income tax recovery	\$ -	\$ -

THUNDERSTRUCK RESOURCES LTD.

Notes to the Consolidated Financial Statements

For the thirteen months ended December 31, 2018 and year ended November 30, 2017

(Expressed in Canadian dollars)

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:

	2018	2017
Deferred tax assets(liability):	\$	\$
Share issue costs	47,000	36,000
Exploration and evaluation assets	(354,000)	159,000
Non-capital losses carried forward	2,200,000	1,723,000
	1,893,000	1,918,000

The Company has Canadian non-capital losses of approximately \$2,200,000 (2017 - \$1,732,000) which will be available to reduce future taxable income in Canada. The respective non-capital losses will begin to expire in 2032 until 2038.

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
2038	477,000
	<u>\$ 2,200,000</u>

10. SUBSEQUENT EVENTS

- On January 28, 2019, the Company closed a non-brokered private placement issuing 1,692,000 units ("Unit") at a price of \$0.06 per Unit, for gross proceeds of \$101,520. Each Unit is comprised one common share and one share purchase warrant. Each warrant entitles the holder to purchase a further common share at a price of \$0.15 per share until January 28, 2022. The warrants are subject to the following "acceleration right": 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. No finder's fees were payable in connection with the placement.
- On March 15, 2019, 100,000 stock options were exercised at a price of \$0.055 per common share for cash proceeds of \$5,500.
- On April 5, 2019, the Company closed a non-brokered private placement issuing 1,221,585 units (the "Units") at a price of \$0.07 per Unit, for gross proceeds of \$104,411. Each Unit is comprised of one common share and one share purchase warrant. Each warrant entitles the holder to purchase a further common share at a price of \$0.15 per share until April 4, 2022. No finder's fees were payable in connection with the placement.
- On April 5, 2019, the Company granted 1,200,000 options to directors, officers, employee and consultants, each with an exercise price of \$0.07 per share and a 10 year term.