

**First Legacy Mining Corp.**

**Interim Financial Statements**

**For the Six Months Ended September 30, 2018**

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

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

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

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

**FIRST LEGACY MINING CORP.**  
**STATEMENTS OF FINANCIAL POSITION**

Expressed in Canadian Dollars

	Note	September 30, 2018	March 31, 2018
<b>ASSETS</b>		\$	\$
<b>Current assets</b>			
Cash		578,270	519,823
Sales tax receivable		4,143	-
		<b>582,413</b>	519,823
<b>Non-current assets</b>			
Exploration and evaluation assets	5	612,090	152,192
<b>TOTAL ASSETS</b>		<b>1,194,503</b>	672,015
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		6,251	36,499
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	6	1,671,102	936,400
Reserves	6	237,000	123,000
Accumulated deficit		(719,850)	(423,884)
		<b>1,188,252</b>	635,516
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,194,503</b>	672,015

*The accompanying notes are integral to these interim financial statements.*

**Note 1 – Nature of Operations**

**Approved on Behalf of the Board of Directors:**

/s/ Max Sali  
Director

/s/ Craig Taylor  
Director

**FIRST LEGACY MINING CORP.**  
**STATEMENT OF CHANGES IN EQUITY**  
Expressed in Canadian Dollars

	Share Capital		Reserves		
	Number of Shares	Amount	Options	Accumulated Deficit	Total
		\$	\$	\$	\$
<b>Balance, March 31, 2017</b>	<b>8,950,000</b>	<b>447,500</b>	-	<b>(173,207)</b>	<b>274,293</b>
Net loss for the period	-	-	-	(40,286)	(40,286)
<b>Balance, September 30, 2017</b>	<b>8,950,000</b>	<b>447,500</b>	-	<b>(213,493)</b>	<b>234,007</b>
<b>Balance, March 31, 2018</b>	<b>13,250,000</b>	<b>936,400</b>	<b>123,000</b>	<b>(423,884)</b>	<b>635,516</b>
Private placements	3,823,333	573,500	-	-	573,500
Share issuance costs	-	(3,798)	-	-	(3,798)
Subscription receivable	-	(225,000)	-	-	(225,000)
Stock-based compensation	-	-	114,000	-	114,000
Shares issued for mineral property	3,000,000	390,000	-	-	390,000
Net loss for the period	-	-	-	(295,966)	(295,966)
<b>Balance, September 30, 2018</b>	<b>20,073,333</b>	<b>1,671,102</b>	<b>237,000</b>	<b>(719,850)</b>	<b>1,188,252</b>

*The accompanying notes are integral to these interim financial statements.*

**FIRST LEGACY MINING CORP.**  
**STATEMENTS OF COMPREHENSIVE LOSS**

Expressed in Canadian Dollars

		<b>For the Three Months Ended September 30, 2018</b>	For the Three Months Ended September 30, 2017	<b>For the Six Months Ended September 30, 2018</b>	For the Six Months Ended September 30, 2017
	Note	\$	\$	\$	\$
<b>EXPENSES</b>					
Consulting	7	55,913	-	71,663	-
Marketing, public and investor relations		49,079	-	49,079	
Office		15,337	48	31,413	3,114
Professional		10,777	4,199	12,400	13,166
Regulatory and filing		9,406	1,239	17,411	24,006
Stock-based compensation	6	114,000	-	114,000	-
<b>NET AND COMPREHENSIVE LOSS FOR THE YEAR</b>					
		<b>(254,512)</b>	(5,486)	<b>(295,966)</b>	(40,286)
<b>Basic and Diluted Loss Per Share</b>					
		<b>(0.02)</b>	(0.00)	<b>(0.02)</b>	(0.00)
<b>Weighted Average Number of Shares Outstanding</b>					
		<b>13,825,373</b>	8,950,000	<b>14,394,493</b>	8,950,000

*The accompanying notes are integral to these interim financial statements.*

**FIRST LEGACY MINING CORP.**  
**STATEMENTS OF CASH FLOW**  
Expressed in Canadian Dollars

	For the Six Months Ended September 30, 2018	For the Six Months Ended September 30, 2017
	\$	\$
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
<b>Net Loss for the period</b>	<b>(295,966)</b>	<b>(40,286)</b>
Non-cash items:		
Stock-based compensation	<b>114,000</b>	-
Changes in non-cash working capital items:		
Sales tax receivable	<b>(4,143)</b>	-
Accounts payable and accrued liabilities	<b>(30,249)</b>	<b>(9,513)</b>
	<b>(216,358)</b>	<b>(49,799)</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisition of mineral property	<b>(7,500)</b>	-
Exploration and evaluation assets	<b>(62,398)</b>	<b>(25,300)</b>
	<b>(69,898)</b>	<b>(25,300)</b>
<b>CASH FLOWS FROM (USED IN) IN FINANCING ACTIVITIES</b>		
Private placement proceeds	<b>348,500</b>	-
Share issuance costs	<b>(3,798)</b>	-
	<b>344,702</b>	-
<b>Net change in cash</b>	<b>58,446</b>	<b>(85,099)</b>
<b>Cash, beginning of the period</b>	<b>519,824</b>	<b>236,431</b>
<b>Cash, end of the period</b>	<b>578,270</b>	<b>151,332</b>
<b>Supplemental information:</b>		
Interest paid	-	-
Income taxes paid	-	-

*The accompanying notes are integral to these interim financial statements.*

**FIRST LEGACY MINING CORP.**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2018**  
Expressed in Canadian Dollars

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## **1. NATURE OF OPERATIONS**

First Legacy Mining Corp. (the "Company") is a British Columbia company listed on the TSX Venture Exchange trading under the symbol FLM. The Company is engaged primarily in mineral exploration activity in Canada.

The head office and the principal address of the Company are located at 605 – 815 Hornby Street, Vancouver, BC V6Z 2E6, Canada.

These interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at September 30, 2018, the Company had a working capital of \$576,162 (March 31, 2018: \$483,324), had not advanced its mineral properties to commercial production and is not able to finance day to day activities through operations. For the period ended September 30, 2018, the Company reported a comprehensive loss of \$295,966 (2017: \$40,286 loss) and has incurred accumulated losses of \$719,850 (March 31, 2018: \$423,884 accumulated losses) since inception.

The Company's continuation as a going concern is dependent upon the successful exercise of its mineral property option agreement, results from its mineral property exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations and ongoing operating losses. These uncertainties cast a significant doubt on the ability of the Company to continue operations as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and/or private placement of common shares. These financial statements do not include any adjustments that might result from this uncertainty.

## **2. BASIS OF PRESENTATION**

### **Statement of compliance with International Financial Reporting Standards**

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited interim financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB. The policies applied in these unaudited interim financial statements are based on IFRSs issued and outstanding as of November 15, 2018, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited interim financial statements as compared with the most recent annual financial statements as at and for the year ended March 31, 2018, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending March 31, 2019 could result in restatement of these unaudited interim financial statements.

### **Basis of preparation**

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

### **Significant estimates and assumptions**

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments, and the recoverability and measurement of deferred tax assets.

### **Significant judgments**

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include: the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; the classification/allocation of expenditures as exploration and evaluation expenditures or operating expenses; and the classification of financial instruments.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

### **Exploration and evaluations assets and equipment**

#### *i) Exploration and evaluation expenditures*

The Company may hold interests in mineral property interests in various forms, including prospecting licenses, exploration and exploitation concessions, mineral leases and surface rights, and property options. The Company capitalizes payments made in the process of acquiring legal title to these properties. Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures incurred on properties prior to obtaining legal rights to explore the specific area are charged to operations as incurred.

The carrying values of exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The carrying value of equipment is reviewed for indications of impairment at each reporting date. When impairment indicators exist, the asset's recoverable amount is estimated. If it is determined that the estimated recoverable amount is less than the carrying value of an asset, then a write-down is made with a charge to operations.

An impairment loss is reversed if there is indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

#### *ii) Equipment*

Equipment is stated at cost less accumulated amortization and accumulated impairment losses. Estimates of residual values, useful lives and methods of amortization are reviewed each reporting period and adjusted prospectively if appropriate.

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**Income taxes**

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is recognized, using the asset and liability method, on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

**Restoration and environmental obligations**

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. The Company currently has no measurable obligations for restoration and environmental costs.

**Share-based payments**

The Company grants stock options to buy common shares of the Company through its stock option plan. The Company accounts for share-based payments using the fair value method. 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 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

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received. The corresponding amount is recorded to reserves. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

The Company grants stock options that are subject to various vesting terms. Under IFRS, the fair value of each instalment of the award is considered a separate grant based on the vesting period with the fair value of each instalment determined separately and recognized as compensation expense over the term of its respective vesting period.

**Financial Instruments**

The Company classifies financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired or issued. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They would be included in current assets, except for maturities greater than 12 months after the end of the reporting period. These would be classified as non-current assets. The Company has classified cash and amounts receivable as loans and receivables

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments would be included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. The Company has no held-to-maturity investments.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to maturity investments and are subsequently measured at fair value. These are included in current assets to the extent they are expected to be realized within 12 months after the end of the reporting period. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

Accounts payable and accrued liabilities, loans and due to related parties are classified as other liabilities at amortized cost. The Company initially recognizes debt securities issued and subordinated liabilities on the date they originated. All other

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financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instruments.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends to either settle on a net basis or to realize the assets and settle the liability simultaneously.

The Company does not have any material derivative financial assets and liabilities.  
The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

**Income (Loss) per share**

Basic income (loss) per share is calculated by dividing the net earnings available to common shareholders divided by the weighted average number of common shares outstanding during the period. The diluted earnings per share are calculated based on the weighted average number of common shares outstanding during the period, plus the effects of the dilutive common share equivalents. This method requires that the dilutive effect of outstanding options and warrants issued be calculated using the treasury stock method. This method assumes that all common share equivalents have been exercised at the beginning of the period (or at the time of issuance, if later), and that the funds obtained thereby were used to purchase common shares of the Company at the average trading price of common shares during the period.

**Future Accounting Policy Changes**

***IAS 7 Statement of Cash Flows***

In January 2016, the IASB amended IAS 7, "Statement of Cash Flows". The amendments require that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. One way to fulfil the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. This amendment will be mandatory for reporting periods beginning on or after January 1, 2017.

***IFRS 9 "Financial Instruments"***

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods

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beginning on or after January 1, 2018. The Company is currently assessing the impact this new standard will have on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

**4. FINANCIAL AND CAPITAL RISK MANAGEMENT**

	Ref.	September 30, 2018	March 31, 2018
		\$	\$
Other financial assets	a	582,413	519,823
Other financial liabilities	b	6,251	36,499

- a. Comprises cash and sales tax receivable.
- b. Comprises accounts payable and accrued liabilities

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying values.

**Management of Industry and Financial Risk**

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

***Credit risk***

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and other receivables. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. Other receivables comprise sales tax refunds from the Canadian federal government.

***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company's cash is held in corporate bank accounts available on demand. Liquidity risk has been assessed as being high.

***Market Risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

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***Currency Risk***

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

***Interest Rate Risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk relating to its related party balances (Note 7).

***Price Risk***

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

***Capital management***

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of components of shareholders' equity. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

**5. EXPLORATION AND EVALUATION ASSETS**

	<b>Lac-Burge Project</b>	<b>Geiger North Project</b>	<b>Total</b>
	\$	\$	\$
<b>Balance at March 31, 2017</b>	<b>25,250</b>	-	<b>25,250</b>
Acquisition costs	70,000	-	70,000
Geological	56,942	-	56,942
<b>Balance at March 31, 2018</b>	<b>152,192</b>	-	<b>152,192</b>
Acquisition costs	-	397,500	397,500
Geological	62,398	-	62,398
<b>Balance at September 30, 2018</b>	<b>155,610</b>	<b>397,500</b>	<b>612,090</b>

**Geiger North Project**

On August 31, 2018, the Company acquired three mineral claims totaling 1,232.851 hectares located in the Athabasca Basin in Saskatchewan, Canada. The Company issued 3,000,000 common shares and paid \$7,500 (paid) in cash to the vendor of the property. The Vendors will retain a 2.0% new smelter return royalty ("NSR") which the Company has the right to buy down one-half (50%) of the NSR by paying \$1,000,000, leaving the Vendors with a 1.0% NSR. See Note 8 for additional mineral property transaction.

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**Lac-Burge Project**

On January 16, 2017, the Company entered into an option agreement to acquire twenty nine mineral claims located within the Abitibi Greenstone Belt (Northwestern Québec, Canada) in the Township of Duplessis, approximately 215km north-east of Val-d'Or, Quebec. To acquire 100% interest, the Company must meet a series of cash payments, share issuances to the optionor and must meet minimum exploration expenditures as follows:

<b>Date for Completion</b>	<b>Cash Payment</b>	<b>Number of Common Shares to be Issued</b>	<b>Minimum Exploration Expenditures to be Incurred</b>
Within 5 business days following the execution of the Property Option Agreement	\$20,000 (paid)	N/A	N/A
Within 5 business days of the Effective Date	N/A	300,000 (issued)	N/A
On or before fourteen (14) months of the Effective Date*	\$25,000 (paid)	500,000	\$250,000
On or before twenty-eight (28) months of the Effective Date*	N/A	750,000	\$750,000
<b>TOTAL</b>	<b>\$45,000</b>	<b>1,550,000</b>	<b>\$1,000,000</b>

\*"Effective Date" meant the date of the Final Exchange Bulletin giving notice of the approval by the Exchange of the listing of the common shares of the Corporation on the facilities of the Exchange.

**6. EQUITY**

**Share Capital**

Authorized share capital of the Company consists of an unlimited number of fully paid common shares without par value.

***For the Six Months Ended September 30, 2018***

On September 27, 2018, the Company closed a non-brokered private placement of 3,823,333 Units for total gross proceeds of \$573,500. Each Unit comprised one common shares and one share purchase warrant exercisable at \$0.30per share for two years. As at September 30, 2018, \$348,500 was received by the Company and the remaining \$225,000 was received subsequent to the period.

***For the Year Ended March 31, 2018***

On January 19, 2018, the Company completed its initial public offering of 4,000,000 common share private placement at \$0.15 per share for gross proceeds of \$600,000.

Pursuant to the Option Agreement dated January 16, 2017 with La Croix Mineral Exploration Ltd., the Company issued on February 13, 2018, 300,000 common shares (2017: Nil common shares) with fair value of \$45,000 (2017: \$Nil).

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**Options**

On September 28, 2018, the Company granted 750,000 options to officers and consultants of the Company. The options vest at the date of grant and are exercisable at \$0.20 per share for a period of five years. These options had a fair value of \$114,000 using the Black Scholes model with the following inputs: i) exercise price: \$0.20; ii) share price: \$0.20; iii) term: 5 years; iv) volatility: 111%; v) discount rate: 2.04%. The value of these options was included in reserves for the period ended September 30, 2018.

On January 19, 2018, the Company granted 400,000 agent's options exercisable at \$0.25 per agent's option and expiring on January 19, 2020 as part of its initial public offering of 4,000,000 common shares. These options had a fair value of \$53,000 using the Black Scholes model with the following inputs: i) exercise price: \$0.25; ii) share price: \$0.25; iii) term: 2 years; iv) volatility: 100%; v) discount rate: 1.43%. The value of these options was included in reserves and share capital for the year ended March 31, 2018.

On February 12, 2018, the Company granted 1,254,000 stock options exercisable at \$0.15 expiring on February 12, 2020. These options had a fair value of \$99,000 using the Black Scholes model with the following inputs: i) exercise price: \$0.25; ii) share price: \$0.25; iii) term: 2 years; iv) volatility: 100%; v) discount rate: 1.43%. The value of these options was included in reserves and share capital for the year ended March 31, 2018.

The Company granted the following incentive stock options to officers, directors, and consultants:

	<b>Number of Options</b>	<b>Weight Average Exercise Price</b>	<b>Weighted Average Life (years)</b>
<b>Balance, March 31, 2017</b>	-	\$ -	-
Options granted	1,654,000	0.17	1.86
<b>Balance, March 31, 2018</b>	<b>1,654,000</b>	<b>0.17</b>	<b>1.86</b>
Options granted	750,000	0.20	1.56
<b>Balance, September 30, 2018</b>	<b>2,404,000</b>	<b>0.18</b>	<b>2.49</b>

The following stock options were outstanding and exercisable at September 30, 2018:

<b>Number</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
400,000	\$0.25	January 19, 2020
1,254,000	\$0.15	February 12, 2020
750,000	\$0.20	September 28, 2023
<b>2,404,000</b>		

**Warrants**

On September 27, 2018, the Company closed a non-brokered private placement of 3,823,333 Units. Each Unit comprised one common shares and one share purchase warrant exercisable at \$0.30 per share for two years.

## **7. RELATED PARTY TRANSACTIONS**

The value of transactions and outstanding balances relating to key officers and directors and entities over which they have control or significant influence were as follows:

The Company paid \$18,000 (2017: \$NIL) for consulting services provided by the Chief Executive Officer of the Company during the period ended September 30, 2018. The Company owed \$NIL (2017: \$Nil) to the Chief Executive Officer as at September 30, 2018.

The Company paid \$3,990 (2017: \$NIL) for consulting services provided by the Chief Financial Officer of the Company during the period ended September 30, 2018. The Company owed \$NIL (2017: \$Nil) to the Chief Financial Officer as at September 30, 2018.

Unless otherwise noted, all related party balances are unsecured, non-interest bearing with no fixed terms of repayment.

## **8. SUBSEQUENT EVENTS**

On November 8, 2018, the Company acquired two additional mineral claims totaling 8,129.80 hectares located in the Athabasca Basin in Saskatchewan, Canada. The Company issued 1,800,000 common shares and paid \$10,000 in cash to the vendor of the property.