

ePower Metals Inc.
(formerly Argus Metals Corp.)
Condensed Interim Financial Statements
Second Quarter Ended October 31, 2017

Expressed in Canadian Dollars

Address:	Suite 501 – 525 Seymour Street Vancouver, BC V6B 3H7
Contact:	Michael Collins President and Chief Executive Officer
Telephone number:	(604) 764-7094
Email address:	info@epowermetals.com
Website:	www.epowermetals.com

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

The accompanying unaudited condensed interim financial statements of ePower Metals Inc. (formerly Argus Metals Corp.) for the six months ended October 31, 2017 have been prepared by the management of the Company and approved by the Company's audit committee.

The accompanying unaudited condensed interim consolidated 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 Canadian Institute of Chartered Professional Accountants for a review of the interim financial statements by an entity's auditor.

Contents

	<u>Page</u>
Condensed Interim Statements of Financial Position	1
Condensed Interim Statements of Comprehensive Loss	2
Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)	3
Condensed Interim Statements of Cash Flows	4
Notes to the Condensed Interim Financial Statements	5-15

ePower Metals Inc.
 (formerly Argus Metals Corp.)
Condensed Interim Statements of Financial Position

	Notes	October 31, 2017	April 30, 2017
		\$	\$
ASSETS			
Current assets			
Cash		75,918	35,220
Receivables	4	3,745	1,028
Prepaid expenses		4,248	-
Total current assets		83,911	36,248
Non-current assets			
Exploration and evaluation assets	5	125,001	50,000
Total non-current assets		125,001	50,000
Total assets		208,912	86,248
LIABILITIES			
Current liabilities			
Payables and accruals		26,395	21,116
Advances from related party		-	5,000
Flow-through share premium liability		1,124	1,288
Loans payable	6	40,777	161,754
Total current liabilities		68,296	189,158
Non-current liabilities			
Convertible debenture	7	56,186	52,356
Total liabilities		124,482	241,514
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	8	31,255,369	30,973,775
Reserves	8	3,270,264	3,214,264
Equity component of convertible debenture		8,560	8,560
Deficit		(34,449,763)	(34,351,865)
Total shareholders' equity (deficiency)		84,430	(155,266)
Total liabilities and shareholders' equity (deficiency)		208,912	86,248

Nature of operations (note 1)

Commitment (note 14)

These condensed interim financial statements are signed on the Company's behalf by:

"Michael Collins" Director
 Michael Collins

"Fred Tejada" Director
 Fred Tejada

See accompanying notes to the condensed interim financial statements.

ePower Metals Inc.
(formerly Argus Metals Corp.)
Condensed Interim Statements of Comprehensive Loss

	Notes	Three Months Ended October 31,		Six Months Ended October 31,	
		2017	2016	2017	2016
		\$	\$	\$	\$
Operating expenses					
Investor relations		619	263	1,010	464
Loan interest		2,787	5,222	5,956	8,145
Personnel	11	7,510	1,750	9,310	1,750
Property investigation and due diligence		10,600	2,430	11,100	2,430
Professional fees		10,042	1,990	10,998	2,551
Office		3,021	1,973	3,176	2,375
Rent		2,100	-	4,200	-
Regulatory and shareholder services		3,568	5,356	6,034	6,210
Share-based compensation	9	-	-	55,000	-
		40,247	18,984	106,784	23,925
Loss before undernoted income		(40,247)	(18,984)	(106,784)	(23,925)
Interest income		20	20	20	20
Forgiveness of debt		2,642	-	2,642	-
Other income on settlement of flow-through share premium liability		6,224	11,712	6,224	11,712
Loss and total comprehensive loss for the period		(31,361)	(7,252)	(97,898)	(12,193)
Loss per share - basic and diluted		(0.00)	(0.00)	(0.01)	(0.00)
Weighted average common shares outstanding - basic and diluted		11,977,548	8,590,431	10,918,514	8,261,249

See accompanying notes to the condensed interim financial statements.

ePower Metals Inc.
(formerly Argus Metals Corp.)

Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)

	Share Capital \$	Equity Component of Convertible Debenture \$	Reserves \$	Deficit \$	Shareholders' Equity (Deficiency) \$
Balance - April 30, 2016	30,856,665	-	3,214,264	(34,265,457)	(194,528)
Private placements, net of share issue costs	93,710	-	-	-	93,710
Loss for the period	-	-	-	(12,193)	(12,193)
Balance - October 31, 2016	30,950,375	-	3,214,264	(34,277,650)	(113,011)

	Share Capital \$	Equity Component of Convertible Debenture \$	Reserves \$	Deficit \$	Shareholders' Equity (Deficiency) \$
Balance - April 30, 2017	30,973,775	8,560	3,214,264	(34,351,865)	(155,266)
Private placement, net of share issue costs	184,154	-	-	-	184,154
Fair value of agent's warrants	3,500	-	1,000	-	4,500
Liability to renounce tax benefit to flow-through share investors	(6,060)	-	-	-	(6,060)
Share-based compensation	-	-	55,000	-	55,000
Accretion	-	-	-	-	-
Shares issued for debt settlement	100,000	-	-	-	100,000
Loss for the period	-	-	-	(97,898)	(97,898)
Balance - October 31, 2017	31,255,369	8,560	3,270,264	(34,449,763)	84,430

See accompanying notes to the condensed interim financial statements.

ePower Metals Inc.
(formerly Argus Metals Corp.)
Condensed Interim Statements of Cash Flows

For the six months ended October 31,	2017	2016
	\$	\$
Cash provided by (used in):		
Operating Activities:		
Loss for the period	(97,898)	(12,193)
Adjustments for:		
Interest income	(20)	(20)
Interest expense	5,956	8,145
Forgiveness of debt	(2,642)	-
Share-based compensation	55,000	-
Liability to renounce exploration expenditures	(6,224)	1,288
Changes in non-cash working capital items		
Receivables	(2,717)	(3,242)
Prepaid expenses	(4,248)	(2,447)
Payables and accruals	5,279	(31,194)
	(47,514)	(39,663)
Financing Activities:		
Shares issued for cash	200,158	95,000
Share issue costs	(11,504)	(1,290)
Loan proceeds	-	22,000
Loan repaid	(20,461)	-
Repayment of advances from related parties	(5,000)	(398)
	163,193	115,312
Investing Activities:		
Exploration and evaluation assets	(75,001)	(50,000)
Interest received	20	20
	(74,981)	(49,980)
Net increase in cash	40,698	25,669
Cash, beginning of period	35,220	69
Cash, end of period	75,918	25,738

Supplemental disclosure with respect to cash flows (note 12)

See accompanying notes to the condensed interim financial statements.

ePower Metals Inc.
(formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
For the six months ended October 31, 2017

1. Nature of operations

ePower Metals Inc. (formerly Argus Metals Corp.) (the "Company") acquires, explores and develops interests in mineral projects. The Company's shares are traded on the TSX Venture Exchange ("TSXV" or the "Exchange"). The Company is substantially inactive although it reviews potential transactions from time to time to assess their viability. The ability of the Company to develop its business is constrained by very limited cash and weak equity markets.

The Company is incorporated under the laws of British Columbia. The head office and principal address of the Company is Suite 501 – 525 Seymour Street, Vancouver, British Columbia, V6B 3H7.

The business of exploring for and mining of minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations.

2. Basis of preparation

The financial statements are presented in Canadian dollars, which is the functional currency of the Company.

Statement of Compliance

These condensed interim financial statements of the Company for the six months ended October 31, 2017 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), on a basis consistent with the significant accounting policies disclosed in note 3 of the most recent annual financial statements as at and for the year ended April 30, 2017 as filed on SEDAR at www.sedar.com. The condensed interim financial statements do not include all of the information required for full annual financial statements and were approved and authorized for issue by the audit committee on December 22, 2017.

Basis of measurement

The financial statements have been prepared on a historical cost basis.

The financial information is presented in Canadian dollars, which is the functional currency of the Company.

Going concern of operations

The Company has not generated revenue from operations. The Company incurred a loss of \$97,898 during the six months ended October 31, 2017 and, as of that date the Company's deficit was \$34,449,763. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. The Company had cash of \$75,918 at October 31, 2017 (April 30, 2017 – \$35,220).

ePower Metals Inc.
(formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
For the six months ended October 31, 2017

2. Basis of preparation (continued)

Critical accounting estimates and judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed interim financial statements within the next financial year are the same as those that applied to the Company's April 30, 2017 annual financial statements.

3. New accounting pronouncements

IASB or the IFRS Interpretations Committee have issued certain pronouncements that are mandatory for accounting years beginning on or after May 1, 2017. None of these are expected to be relevant to the Company's financial statements, except for the following:

IFRS 9 Financial Instruments

IFRS 9 amends the requirements for classification and measurement of financial assets, impairment, and hedge accounting. IFRS 9 introduces an expected loss model of impairment and retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through profit or loss, and fair value through other comprehensive income. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. IFRS 9 will be effective for the fiscal year beginning May 1, 2018. The Company is evaluating the impact of the new standard.

IFRS 16 - Leases

IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring that lessees recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has an insignificant value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 was issued in January 2016 and will be applicable to the Company's fiscal year beginning May 1, 2019, although early adoption is permitted. The Company has not yet assessed the impact of this standard or determined whether it will early adopt.

ePower Metals Inc.
 (formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
 For the six months ended October 31, 2017

4. Receivables

The Company's receivables consist of the following:

	October 31, 2017	April 30, 2017
	\$	\$
GST/HST - value added tax	3,745	1,028
Total	3,745	1,028

5. Exploration and evaluation assets

	April 30, 2017	Charges	October 31, 2017
	\$	\$	\$
Ike Block	50,000	21,201	71,201
Split Dome	-	21,775	21,775
Panther Creek	-	32,025	32,025
	50,000	75,001	125,001

Ike Block

The Company staked certain claims in the Selwyn Basin in the Yukon Territory of Canada.

The Company completed surveying, geological, and geochemical expenses on the Ike block as follows:

	Ike Block
	\$
Balance, April 30, 2016	-
Contractors	20,742
Field supplies	2,163
Filing fees	1,958
Geochemistry	1,563
Helicopter	10,804
Labour	7,741
Travel and accomodation	5,029
Balance, April 30, 2017	50,000
Contractors	11,800
Field supplies	675
Helicopter	5,415
Travel and accomodation	3,311
Balance October 31, 2017	71,201

ePower Metals Inc.
(formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
For the six months ended October 31, 2017

5. Exploration and evaluation assets

Split Dome

In June 2017, the Company staked claims totalling approximately 4700 hectares located 55 km north-east of Hazelton, BC on the west side of the Babine Valley.

The Company completed surveying, geological, and geochemical expenses on the Split Dome as follows:

	Split Dome
	\$
Balance, April 30, 2017	-
Acquisition - staking	8,361
Contractors	9,300
Drilling and metallurgical testing	760
Field supplies	1,550
Travel and accomodation	1,804
Balance October 31, 2017	21,775

Panther Creek – Idaho

In October, the Company entered into a mineral property option agreement with Utah Mineral Resources, LLC (“UMR”) to earn up to a 100% interest in the Panther Creek cobalt project located in the heart of the Idaho cobalt belt. To earn an initial 50% interest in the property, the Company paid \$32,025 (US\$25,000) upon signing.

Payment of an additional US\$150,000 and issuance of 5,500,000 common shares must be made within 14 days following receipt of Exchange approval (paid in December 2017).

To earn 100% interest in the property the Company needs to make the following additional payments and expenditures:

- a) payment of an additional US\$150,000, in cash or shares at the Company’s option, and incurring at least US\$75,000 of expenditures on the property within the first 12 months;
- b) payment of an additional US\$150,000, in cash or shares at the Company’s option, and incurring at least an additional US\$100,000 of expenditures on the property within 24 months; and
- c) incurring at least an additional US\$200,000 of expenditures on the property within 36 months.

In addition, should the Company determine that proven and probable mineral resources, (as determined in compliance with NI 43-101), of at least 4,000,000 tonnes grading a minimum 0.25% cobalt, are contained within any portion of the property, on or before five years following the date of the agreement, the Company will issue to UMR an additional 2,000,000 shares.

Upon exercise of the option, UMR will retain and will be entitled to receive, a 2% NSR royalty on all product derived from the property.

ePower Metals Inc.

(formerly Argus Metals Corp.)

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2017

6. Loans payable

- a) In June 2016, the Company entered into agreements to convert \$150,677 of current liabilities to debt. The debt bears annual interest of 12% and must be repaid on or before the maturity date of December 2, 2017. Of the amount converted, \$123,025 was due to the Company's president and CEO and \$2,000 was due to the Company's CFO. During the year ended April 30, 2017, the Company repaid \$5,188 of debt to a non-related party. In May 2017, the Company settled \$100,000 of debt with the Company's president and CEO through the issuance of 1,000,000 common shares. In October 2017, the Company repaid a further \$20,461 of debt to a non-related party which agreed to forgive \$2,642 of accrued interest.
- b) In August 2016, the Company entered into an unsecured loan with a related party for \$22,000 bearing annual interest of 12% and maturing on August 4, 2018. The Company repaid the loan in March 2017.

	\$
Loans payable at April 30, 2016	-
Short-term debt	
Conversion of accounts payable to long-term debt	150,677
Repayment	(5,188)
Interest accrued	16,265
	<u>161,754</u>
Long-term debt	
Cash received	22,000
Interest accrued	1,670
Repayment	(23,670)
	<u>-</u>
Loans payable at April 30, 2017	161,754
Issuance of shares for repayment	(100,000)
Repayment	(20,461)
Forgiveness of interest accrued	(2,642)
Interest accrued	2,126
	<u>40,777</u>

7. Convertible debenture

In March 2017, the Company borrowed \$60,000 under a secured convertible debenture issued to a company controlled by a director of the Company. The debenture is due in March 2020 and bears interest at 8% calculated and payable semi-annually. The debenture is convertible into common shares at \$0.15 per share, at any time at the election of the holder. In December 2017, the convertible debenture was converted to common shares of the Company.

ePower Metals Inc.
(formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
For the six months ended October 31, 2017

7. Convertible debenture (continued)

At the date of issue \$51,440 was attributed to the liability component of the convertible debenture and \$8,560 to the equity component based on an effective interest rate of 8%.

	Liability Component	Equity Component	Total Liability and Equity Component
	\$	\$	\$
Balance at April 30, 2016	-	-	
Convertible debenture issuance	51,440	8,560	60,000
Accretion expense	342	-	342
Interest accrued	574	-	574
Balance at April 30, 2017	52,356	8,560	60,916
Interest accrued	3,830	-	3,830
Balance at October 31, 2017	56,186	8,560	64,746

The accrued interest and accretion are included in interest expense on the statement of comprehensive loss.

8. Share capital and reserves

Authorized capital

Unlimited number of common shares without par value.

Issued capital

11,977,548 common shares (April 30, 2017 – 9,001,567).

Common shares

Fiscal 2018

In May 2017, the Company settled \$100,000 of debt with the Company's president and CEO through the issuance of 1,000,000 common shares.

In July 2017, the Company closed a private placement and issued 1,638,000 units at a price of \$0.10 per unit and 302,981 flow-through shares at a price of \$0.12 per flow-through share for gross proceeds of \$200,158. Each unit consists of one common share and one-half of one common share purchase warrant. The Company recognized a flow-through premium of \$9,500. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.15 per share until July 2019. In connection with the private placement, the Company paid cash commissions totalling \$1,925 and issued 35,000 common shares and 54,250 finder's warrants that are exercisable into common shares at \$0.15 per share until July 2019.

ePower Metals Inc.
 (formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
 For the six months ended October 31, 2017

8. Share capital and reserves (continued)

Fiscal 2017

In August 2016, the Company closed a private placement, consisting of two tranches, and issued 580,500 units at a price of \$0.10 per unit and 333,000 flow-through shares at a price of \$0.15 per flow-through share for gross proceeds of \$108,000. Each unit consists of one common share and one-half of one common share purchase warrant. The Company recognized a flow-through premium of \$13,000. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.15 per share until August 2018.

In January 2017, 156,000 warrants were exercised for gross proceeds of \$23,400.

The following is a summary of changes in common share capital from April 30, 2016 to October 31, 2017:

	Number of Shares	Issue Price \$	Common Shares \$
Balance - April 30, 2016	7,932,067		30,856,665
Private placement of units	580,500	0.10	58,050
Private placement of flow-through shares	333,000	0.15	49,950
Exercise of warrants	156,000	0.15	23,400
Liability to renounce exploration expenditures	-	-	(13,000)
Less share issue costs	-	-	(1,290)
Balance April 30, 2017	9,001,567		30,973,775
Shares for debt	1,000,000	0.10	100,000
Private placement of units	1,638,000	0.10	163,800
Private placement of flow-through shares	302,981	0.12	36,358
Finders' units	35,000	0.10	3,500
Liability to renounce exploration expenditures	-	-	(6,060)
Less share issue costs	-	-	(16,004)
Balance October 31, 2017	11,977,548		31,255,369

Reserves

Reserves recorded in equity comprise the fair value of share-based payments before exercise and unrecognized gains and losses on available-for-sale investments. The following is a summary of changes in reserves from April 30, 2016 to October 31, 2017

	Balance \$
Balance - April 30, 2016 and 2017	3,214,264
Share-based compensation	55,000
Fair value of finder's warrants granted	1,000
Balance - October 31, 2017	3,270,264

ePower Metals Inc.
 (formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
 For the six months ended October 31, 2017

8. Share capital and reserves (continued)

Warrants

Warrant activity for the respective years are as follows:

	October 31, 2017		April 30, 2017	
	Number	Weighted Avg. Exercise Price \$	Number	Weighted Avg. Exercise Price \$
Warrants outstanding, beginning of period	134,250	0.15	1,600,000	0.10
Granted	873,250	0.15	290,250	0.15
Exercised	-	-	(156,000)	0.15
Expired	-	-	(1,600,000)	0.10
Warrants outstanding, end of period	<u>1,007,500</u>	0.15	<u>134,250</u>	0.15

Warrants outstanding and exercisable at October 31, 2017:

Number	Price	Expiry Date
134,250	0.15	August 17, 2018
873,250	0.15	July 27, 2019
<u>1,007,500</u>		

Subsequent to quarter-end, 54,125 warrants were exercised.

The Company used the Black-Scholes option pricing model to estimate the fair value of the 54,250 (2016 – nil) finder's warrants granted at \$1,000 (2016 - \$nil) using the following weighted average assumptions:

	2017
Risk-free interest rate	1.33%
Dividend yield	0.00%
Expected volatility	79%
Expected life	2 years

9. Share-based compensation

The Company has a stock option plan by which the directors may grant options to purchase common shares to directors, officers, employees and service providers of the Company on terms that the directors may determine within the limitations set forth in the stock option plan. The maximum number of common shares issuable upon the exercise of options granted pursuant to the stock option plan is set at 10% of the total issued common shares. The board of directors may grant options with a life of up to ten years, however options have a maximum term of five years. Vesting terms may be set by the board of directors.

ePower Metals Inc.
(formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
For the six months ended October 31, 2017

9. Share-based compensation (continued)

Stock options outstanding and exercisable for the respective periods are as follows:

	October 31, 2017		April 30, 2017	
	Number	Weighted Avg. Exercise Price \$	Number	Weighted Avg. Exercise Price \$
Options outstanding, beginning of period	-	-	41,250	3.02
Granted	890,000	0.10	-	-
Expired	-	-	(41,250)	3.02
Options outstanding, end of period	890,000	0.10	-	-
Exercisable, end of period	890,000	0.10	-	-

In May 2017, the Company granted incentive stock options to directors, officers, employees and consultants of the Company to purchase an aggregate of 890,000 shares at a price of \$0.10 per share for a period of three years. Using the Black Scholes method the value of the stock options was calculated as \$55,000.

The Company used the Black-Scholes option pricing model to estimate the fair value of the options granted using the following weighted average assumptions:

	2017
Risk-free interest rate	1.01%
Dividend yield	0.00%
Expected volatility	109%
Expected option life	3 years

10. Loss per share

The calculation of the basic and diluted income (loss) per share for the three and six months presented is based on the following data:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2017	2016	2017	2016
Loss for the period	(\$31,361)	(\$7,252)	(\$97,898)	(\$12,193)
Weighted average number of common shares outstanding	11,977,548	8,590,431	10,918,514	8,261,249
Loss per share, basic and fully diluted	(\$0.00)	(\$0.00)	(\$0.01)	(\$0.00)

Diluted loss per share for the three and six months ended October 31, 2017 and 2016 is the same as basic loss per share as the exercise of the 890,000 options (April 30, 2017 – nil) and 1,007,500 warrants (April 30, 2017 – nil) would be anti-dilutive.

ePower Metals Inc.

(formerly Argus Metals Corp.)

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2017

11. Related party transactions and balances

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and includes both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel. The following are related party transactions not disclosed elsewhere in the financial statements.

At October 31, 2017, the Company had no employees but had arrangements with contractors to provide administrative, accounting and management services. In the current and prior year, management personnel waived their fees.

	Three months ended		Six months ended	
	October 31,		October 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Key management personnel compensation				
Management fees	6,310	-	6,310	-
Total	6,310	-	6,310	-

Included in the above is compensation paid through companies:

S2 Management Inc.	310	-	310	-
--------------------	-----	---	-----	---

S2 Management Inc. is controlled by the Company's CFO.

During the six months ended October 31, 2017, the Company paid \$8,361 (2016 - \$nil) to an officer of the Company for capitalized exploration costs.

In May 2017, the Company granted 690,000 stock options to officers and directors of the Company valued at \$42,640.

Included in the payables and accruals is \$10,034 (April 30, 2017 - \$2,017) owed to directors and officers of the Company. Advances from directors and officers of \$nil (April 30, 2017 - \$5,000) represent amounts paid to cover the Company's operating expenses.

Of the loans payable (note 6), at October 31, 2017, \$40,777 (April 30, 2017 - \$138,674) is owed to directors and officers of the Company.

12. Supplemental disclosure with respect to cash flows

For the six months ended October 31,	2017	2016
	\$	\$
Shares issued for settlement of loan payable	100,000	
Shares issued for finder's fees	3,500	-
Fair value of warrants issued as finders' fees	1,000	-
Forgiveness of debt	2,642	
Liability to renounce exploration expenditures	6,060	13,000

ePower Metals Inc.
(formerly Argus Metals Corp.)
Notes to the Condensed Interim Financial Statements
For the six months ended October 31, 2017

13. Segmented information

The Company has one reportable operating segment, being the acquisition and exploration of mineral properties. At October 31, 2017 and 2016 all assets with value were located in Canada and the United States. All operating costs were incurred in Canada. Long-lived assets by geographic segment were:

	October 31, 2017	April 30, 2017
	\$	\$
Canada	92,976	50,000
United States	32,025	-
	125,001	50,000

14. Commitment

During the period, the Company undertook a new flow-through financing and at October 31, 2017 was obliged, under the terms of the financing and related tax law, to expend \$6,743 on mineral exploration before December 31, 2018.

15. Events after the reporting period

- a) In December 2017, 54,125 warrants were exercised and 54,125 common shares were issued at a price of \$0.15 for gross proceeds of \$8,119.
- b) In December 2017, the Company issued 5,500,000 common shares pursuant to the mineral property option agreement with UMR. (see note 5).
- c) In December 2017 the Company closed two private placements consisting of 10,000,000 units at a price of \$0.10 per unit ("First Private Placement") and 5,000,000 units at a price of \$0.20 per unit ("Second Private Placement") for gross proceeds of \$2,000,000. Each unit consists of one common share and one-half of one common share purchase warrant, of which one whole warrant entitles the holder to purchase one additional common share of the Company until December 7, 2019. The First Private Placement warrants are exercisable at a price of \$0.30 per warrant. The Second Private Placement warrants are exercisable at a price of \$0.45 per warrant.

In connection with the Second Private Placement, the Company paid cash commissions totalling \$37,240 and issued 186,200 finder's warrants, each such finder's warrant entitling the holder to acquire one common share of the Company exercisable at \$0.45 per share until December 7, 2019. All shares, warrant shares and finder's warrants, will be subject to a hold period under applicable Canadian securities laws expiring on April 8, 2017.

- d) In December 2017, the Company issued 400,000 common shares pursuant to the convertible debenture (see note 7).
- e) In December 2017, option holders exercised options to acquire 200,000 common shares at \$0.10 per share for proceeds of \$20,000.