BLACK MAMMOTH METALS CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016

(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited 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.

BLACK MAMMOTH METALS CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

		As at September 30, 2017		As at December 31, 2016
ASSETS				
Current Assets				
Cash	**$**	**296,088**	$	50,112
Commodity tax recoverable		**3,638**		1,994
Reclamation bond (Note 5)		**35,623**		38,520
		335,349		90,626
Equipment (Note 6)		**14,690**		-
Exploration and Evaluation Assets (Note 7)		**190,352**		78,526
Total Assets	**$**	**540,391**	$	169,152
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	**$**	**98,810**	$	41,820
Due to related parties (Note 9)		**28,616**		-
Decommissioning provision (Note 4 & 12)		**6,585**		9,400
		134,011		51,220
Long-term payables		**-**		99,552
Due to related parties (Note 9)		**574,264**		573,571
Total Liabilities		**708,275**		724,343
DEFICIENCY				
Share Capital (Note 8)		**11,611,545**		11,116,195
Reserves		**1,945,512**		1,903,761
Accumulated Deficit		**(13,724,941)**		(13,575,147)
Total Deficiency		**(167,884)**		(555,191)
Total Liabilities And Deficiency	**$**	**540,391**	$	169,152

Nature of operations and going concern (Note 1)
Subsequent event (Note 16)

Approved on behalf of the Board of Directors:

"Mark Abrams"	"Dustin Henderson"
Director	Director

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

BLACK MAMMOTH METALS CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30,	
	2017	2016	**2017**	2016
Operating Expenses				
Depreciation (Note 6)	**$ 893**	$ -	**$ 1,861**	$ -
Foreign exchange (gain) loss	**717**	(150)	**1,206**	(2,327)
Gain on debt settlements (Note 15)	**-**	-	**-**	(131,388)
Interest, penalties and bank charges	**158**	654	**1,255**	767
Management fees (Note 9)	**7,500**	30,000	**45,000**	55,500
Office administration and other	**3,091**	401	**12,365**	4,632
Professional fees	**9,602**	6,000	**30,986**	18,275
Property investigation costs	**-**	1,364	**404**	1,364
Share-based compensation	**-**	7,720	**21,151**	7,720
Shareholder communications	**6,645**	784	**11,055**	1,682
Transfer and regulatory fees	**2,487**	1,437	**16,011**	19,182
Travel and entertainment	**2,018**	47	**9,398**	1,039
Write-off of accounts payable	**(898)**	-	**(898)**	-
Write-off of exploration and evaluation assets	**-**	-	**-**	1,100
Net Income (Loss) and Comprehensive Income (Loss) For The Period	**$ (32,213)**	$ (48,257)	**$ (149,794)**	$ 22,454
Basic Income (Loss) Per Share	**$ (0.00)**	$ (0.01)	**$ (0.02)**	$ 0.00
Diluted Income (Loss) Per Share	**$ (0.00)**	$ (0.01)	**$ (0.02)**	$ 0.00
Weighted Average Number Of Shares Outstanding, Basic	**7,837,124**	5,615,291	**6,492,406**	4,583,990
Weighted Average Number of Shares Outstanding, Diluted	**7,837,124**	5,615,291	**6,492,406**	4,583,990

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

BLACK MAMMOTH METALS CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN DEFICIENCY
FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	SHARE CAPITAL		RESERVES			
	SHARES	AMOUNT	EQUITY SETTLED SHARE-BASED PAYMENTS	WARRANTS	ACCUMULATED DEFICIT	TOTAL DEFICIENCY
Balance, December 31, 2015	2,676,787	$ 10,933,343	$ 1,103,269	$ 783,043	$ (13,535,113)	$ (715,458)
Private placement (net)	2,524,999	149,772	-	-	-	149,772
Share-based payments	-	-	7,720	-	-	7,720
Shares for debt	413,500	33,080	-	-	-	33,080
Net income and comprehensive income for the period	-	-	-	-	22,454	22,454
Balance, September 30, 2016	5,615,286	11,116,195	1,110,989	783,043	(13,512,659)	(502,432)
Share-based compensation	-	-	9,729	-	-	9,729
Net loss and comprehensive loss for the period	-	-	-	-	(62,488)	(62,488)
Balance, December 31, 2016	5,615,286	11,116,195	1,120,718	783,043	(13,575,147)	(555,191)
Private placement (net)	2,575,999	462,000	-	20,600	-	482,600
Shares issued on exercise of warrants	333,500	33,350	-	-	-	33,350
Share-based compensation	-	-	21,151	-	-	21,151
Net loss and comprehensive loss for the period	-	-	-	-	(149,794)	(149,794)
Balance, September 30, 2017	**8,524,785**	**$ 11,611,545**	**$ 1,141,869**	**$ 803,643**	**$ (13,724,941)**	**$ (167,884)**

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

BLACK MAMMOTH METALS CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	NINE MONTHS ENDED SEPTEMBER 30,	
	2017	2016
Cash Flows (Used In) Provided By:		
Operating Activities		
Net income (loss) for the period	**$ (149,794)**	$ 22,454
Change in non-cash working capital:		
Depreciation	**1,861**	-
Foreign exchange	**2,897**	6,533
Share-based compensation	**21,151**	7,720
Gain on debt settlements	**-**	(131,388)
Write-off of accounts payable	**(898)**	-
Changes in non-cash working capital:		
Amounts receivable	**(1,644)**	(3,108)
Accounts payable and accrued liabilities	**(67,295)**	(141)
	(193,722)	(97,930)
Investing Activities		
Mineral property exploration	**(59,701)**	(973)
Equipment	**(16,551)**	-
	(76,252)	(973)
Financing Activities		
Private placement	**515,000**	151,500
Share issue costs	**(32,400)**	(1,728)
Exercise of warrants	**33,350**	-
	515,950	149,772
Change in Cash for the Period	**245,976**	50,869
Cash, Beginning of Period	**50,112**	(137)
Cash, End of Period	**$ 296,088**	$ 50,732
Supplemental Cash Flow Information		
Cash received for interest	**$ -**	$ -
Cash paid for income taxes	**$ -**	$ -
Cash paid for interest	**$ -**	$ -

See Note 14 for non-cash transactions

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

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated on August 17, 2004 in British Columbia, Canada and began active operations on that date.

On February 18, 2016, the Company changed its name to Black Mammoth Metals Corporation (formerly La Quinta Resources Corporation) and consolidated its share capital on a four to one basis. These statements reflect the share consolidation retroactively.

During the year ended December 31, 2016, the Company incorporated Black Mammoth Gold Corporation ("Black Mammoth Gold"), a wholly owned subsidiary, in the state of Nevada.

The Company is a natural resource company engaged in the acquisition and exploration of resource properties in British Columbia. The Company presently has no proven or probable reserves and on the basis of information to date, it has not yet determined whether these properties contain economically recoverable ore reserves. Consequently, the Company considers itself to be an exploration stage company. The Company is listed on the TSX Venture Exchange, having a symbol BMM.V.

The address of the Company's corporate office and principal place of business is Suite 1710 – 1177 West Hastings Street, Vancouver, British Columbia, Canada.

The Company's financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has an accumulated deficit of $13,724,941 to date and as of September 30, 2017 has a working capital of $201,338.

Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. Management intends to continue to raise additional funding in the form of equity financing from the sale of common stock to improve the working capital position, but there is no assurance that the Company will be successful in achieving this goal. These factors may cast significant doubt on the use of the going concern basis of accounting used in the preparation of these financial statements. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue in business, and these adjustments may be material.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These unaudited condensed interim consolidated financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 20, 2017.

2. BASIS OF PRESENTATION (Continued)

b) Going Concern

The consolidate interim consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these consolidate interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

c) Basis of Measurement

The consolidate interim consolidated financial statements have been prepared on a historical cost basis in Canadian dollars, which is the Company's functional currency.

The preparation of consolidate interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. See Note 3 for use of estimates and judgements made by management in the application of IFRS.

3. USE OF ESTIMATES AND JUDGMENTS

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, that could result in a material adjustment of 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:

i) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statement of financial position.
ii) The inputs in the Black-Scholes option pricing model to value stock options and broker warrants.
iii) The Company's assessment of its ability to raise sufficient funds to finance operations involves significant judgments. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. USE OF ESTIMATES AND JUDGMENTS (Continued)

Critical judgements exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

i) Economic recoverability and probability of future benefits of exploration and evaluation costs

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

ii) Recognition of deferred income tax assets

Management is required to assess the recoverability of deferred income tax assets, which arise from the differences between the carrying amount of assets and liabilities and their tax bases in accordance with IAS 12 Income Taxes, to the extent that it is probable future taxable profits will be available against which the temporary differences can be utilized.

4. SIGNIFICANT ACCOUNTING POLICIES

Translation of Foreign Currencies

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting year, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the year.

Financial Instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Financial assets (Continued)

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in profit or loss.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

The Company has classified its cash and amounts receivable at fair value through profit or loss.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category includes accounts payables and accrued liabilities, advance payable and flow-through share liability which are recognized at amortized cost using the effective interest method.

Financial instruments that are measured at fair value use inputs, which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash which are subject to insignificant risk of change and have maturities of three months or less from the date of acquisition, held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. The Company had no cash equivalents at September 30, 2017 and December 31, 2016.

Exploration and Evaluation Assets

Upon acquiring the legal right to explore a property, costs related to the acquisition, exploration and evaluation are capitalized by property. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the exploration and evaluation assets, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order 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 between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be 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 the year. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Decommissioning and Restoration Provision

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

The Company's estimates of reclamation 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 mining assets with a corresponding entry to the provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the period.

At September 30, 2017, the Company had a $6,585 (December 31, 2016 - $9,400) decommissioning and restoration provision (Note 11).

Equipment

Equipment is recorded at cost and depreciated using the declining balance method at the following rates per annum.

Equipment	20% per annum

Equipment that is withdrawn from use, or has no reasonable prospect of being recovered through use or sale, are regularly identified and written off. The assets' residual values, deprecation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent expenditures relating to an item of equipment are capitalized when it is probable that future economic benefits from the use the assets will be increased. All other subsequent expenditures are recognized as repairs and maintenance.

Income Taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded by providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Share Issue Costs

Costs directly identifiable with the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs, and are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

Flow-through Shares

Canadian Income Tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby the premium paid for the flow through shares in excess of the market value of the shares without flow-through features at the time of issue is credited to other liabilities and included in profit or loss at the same time the qualifying expenditures are made.

Income Per Share

The Company presents basic and diluted income (loss) per share for its common shares. Basic income (loss) per share is calculated by dividing the income attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted income per share is calculated using the treasury stock method which considers the potential exercise of outstanding financial instruments with equity purchase or conversion features. Diluted income per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Valuation of Equity Units Issued in Private Placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Share-based Compensation

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based Compensation (Continued)

The fair value of stock options and compensatory warrants are measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Future Accounting Pronouncements

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements. IFRS 9 Financial Instruments replaces the current standard IAS 39 Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value. This standard has a tentative effective date of January 1, 2018.

5. RECLAMATION BOND

Due to new information received during the year ended December 31, 2015, the Company re-recognized a $39,654 bond previously provided to the Division of Minerals in the state of Nevada as security against future reclamation on the Company's mineral properties once abandoned. At September 30, 2017, the reclamation bond is valued at $35,623 (December 31, 2016 - $38,520).

6. EQUIPMENT

		Equipment
Cost		
Balance, December 31, 2015 and 2016	**$**	**-**
Additions		**16,551**
Balance, September 30, 2017		**16,551**
Accumulated deprecation		
Balance, December 31, 2015 and 2016	**$**	**-**
Additions		**1,861**
Balance, September 30, 2017		**1,861**
Carrying amounts		
Balance, December 31, 2016	**$**	**-**
Balance, September 30, 2017	**$**	**14,690**

7. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation costs for the period ended September 30, 2017

	Blanco Creek, Central Idaho	Frances Bay, British Columbia	Coppertonic, British Columbia	Total
Acquisition costs, December 31, 2016	$ -	$ 1,361	$ 978	$ 2,339
Additions - cash	57,201	-	-	57,201
Acquisition costs, September 30, 2017	57,201	1,361	978	59,540
Exploration costs, December 31, 2016	-	24,933	51,254	76,187
Incurred during the period:				
Consulting	54,625	-	-	54,625
Travel and other expenses	-	-	-	-
Exploration costs, September 30, 2017	54,625	24,933	51,254	130,812
Total Exploration and Evaluation Assets, as at September 30, 2017	**$ 111,826**	**$ 26,294**	**$ 52,232**	**$ 190,352**

Exploration and evaluation costs for the year ended December 31, 2016

	Frances Bay, British Columbia	Coppertonic, British Columbia	Total
Acquisition costs, December 31, 2015	$ 1,361	$ 909	$ 2,270
Additions - cash	-	69	69
Acquisition costs, December 31, 2016	1,361	978	2,339
Exploration costs, December 31, 2015	-	22,384	22,384
Incurred during the year:			
Consulting	22,654	27,750	50,404
Travel and other expenses	2,279	1,120	3,399
Exploration costs, December 31, 2016	24,933	51,254	76,187
Total Exploration and Evaluation Assets, as at December 31, 2016	**$ 26,294**	**$ 52,232**	**$ 78,526**

7. EXPLORATION AND EVALUATION ASSETS (Continued)

a) Blanco Creek Property, Central Idaho, USA

On February 13, 2017, the Company's subsidiary, Black Mammoth Gold, entered into an assignment and assumption agreement ("Assignment and Assumption Agreement") with IDA Gold Corporation ("IDA") pursuant to which IDA has assigned, and Black Mammoth Gold has assumed, all of the rights and obligations of the lessee under a long-term lease of the Blanco Creek mineral property located in central Idaho. The lease is subject to an underlying two percent (2%) production royalty in favour of the landlord and a one percent (1%) production royalty in favour of IDA.

Lease Terms (in USD):

The lease term is approximately 20 years (due date is October 14, 2036) and is renewable for up to an additional 40 years (60 years in total).

Advance Royalty Payment	Payable On or Before
$6,000	Paid
$8,000	Each June 1 thereafter (2017 paid)

There is a 3% net smelter royalty (NSR) where 2% is buyable for $3,000,000 minus any previously paid Advance Royalty Payments. If the Company elects to buy the 2% NSR, the lease will terminate and the property will be 100% owned by the Company subject only to a 1% NSR. There is no work commitment. The Company will reimburse IDA for all property related expenses at cost.

The lease is considered a related party transaction as the Company and IDA have two directors in common.

b) Coppertonic Property, British Columbia, Canada

On August 15, 2013, the Company staked a copper-gold property prospect, the Coppertonic claim in the Cariboo region of south central British Columbia.

During the period ended September 30, 2017, the Company staked contiguous claims for $Nil (December 31, 2016 - $69).

c) Frances Bay Copper Property, British Columbia, Canada

During the year ended December 31, 2015, the Company staked and obtained a 100% ownership in the Frances Bay Copper Property after dropping its previous option agreement. The Frances Bay Copper property is located in southwestern British Columbia, approximately 90 kilometres northwest of Powell River, BC. There is a 1% Net Smelter Royalty outstanding on the property.

8. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value

b) Issued and Outstanding

During the period ended September 30, 2017, the Company:

i) issued 333,500 shares pursuant to the exercise of warrants for the proceeds of $33,350.

ii) completed a non-brokered private placement of 2,575,000 units at a price of $0.20 per unit for total proceeds of $515,000. Each unit consists of one common share and one share purchase warrant; each share purchase warrant is exercisable at a price of $0.30 expiring on July 25, 2019. The Company paid a cash commission to the finders totaling $32,400 and issued 162,000 finder's warrants (valued at $20,600) exercisable at a price of $0.24 expiring on January 25, 2019.

c) Stock Options

The Company has a stock option plan whereby it is authorized to grant options to directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company at prices to be determined and for a term not in excess of five years. Stock options granted to consultants conducting investor relations activities vest in accordance with TSX regulations. Unless otherwise stated, share purchase options vest when granted.

No stock options were granted during the period ended September 30, 2017.

During the year ended December 31, 2016, the Company granted 475,000 stock options to directors, officers and consultants, to purchase an aggregate of up to 475,000 common shares at a price of $0.10 per shares for a five year period. The options vested on July 19, 2017. The fair value of the options was estimated as $17,449 on the date of issuance using the Black-Scholes model.

As at September 30, 2017, options were outstanding for the purchase of common shares as follows:

NUMBER OF SHARES	EXERCISE PRICE PER SHARE	NUMBER EXERCISABLE AT SEPTEMBER 30, 2017	EXPIRY DATE
475,000	$0.10	475,000	July 19, 2021
475,000		475,000	

8. SHARE CAPITAL (Continued)

c) Stock Options (Continued)

Summaries of changes in stock options are presented below:

	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017			FOR THE YEAR ENDED DECEMBER 31, 2016		
	NUMBER		**WEIGHTED AVERAGE EXERCISE PRICE**	NUMBER		WEIGHTED AVERAGE EXERCISE PRICE
Balance, beginning of period	**475,000**	**$**	**0.10**	36,250	$	1.00
Granted	**-**		**-**	475,000		0.10
Forfeited/expired	**-**		**-**	(36,250)		1.00
Balance, end of period	**475,000**	**$**	**0.10**	475,000	$	0.10

d) Share Purchase Warrants

As at September 30, 2017, share purchase warrants were outstanding for the purchase of common shares as follows:

NUMBER OF SHARES	**EXERCISE PRICE PER SHARE**	**EXPIRY DATE**
1,516,499	$ 0.10	March 23, 2018
675,000	0.10	April 15, 2018
162,000	0.24	January 25, 2019
2,575,000	0.30	July 25, 2019
4,928,499		

Summaries of changes in stock options are presented below:

	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017			FOR THE YEAR ENDED DECEMBER 31, 2016		
	NUMBER		**WEIGHTED AVERAGE EXERCISE PRICE**	NUMBER		WEIGHTED AVERAGE EXERCISE PRICE
Balance, beginning of period	**2,524,999**	**$**	**0.10**	-	$	-
Issued	**2,737,000**		**0.30**	2,524,999		0.10
Exercised	**(333,500)**		**0.10**	-		-
Balance, end of period	**4,928,499**	**$**	**0.21**	2,524,999	$	0.10

9. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers.

The following transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties. All amounts owing are non-interest bearing, with no specific repayment terms and unsecured. The remuneration of directors and other members of key management personnel during the period ended September 30, 2017 and 2016 are as follows:

a) Included in the due to related parties at September 30, 2017 is $574,264 (December 31, 2016 - $573,571) due to directors, an officer of the Company and a company with a common director. The amounts relate to accrued management fees and expense reimbursements. Per the terms of debt settlement and deferral agreements repayment, the amount of $635,847 is not due until April 15, 2019.

b) During the period ended September 30, 2017 and 2016 included in the financial statements are the following amounts charged or accrued to officers, directors, a former director, spouse of a director and companies with a common director:

Key management compensation	**2017**	2016
Management fees – operating	**$ 45,000**	$ 55,500
Management fees – exploration and evaluation	**45,000**	49,500
Share-based compensation	**12,022**	-

10. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to manage its capital.

The property in which the Company currently has an interest is in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management considers its approach to capital management to be appropriate given the relative size of the Company. There were no changes in the Company's approach to capital management during the period.

11. FINANCIAL INSTRUMENTS

Fair Value

IFRS 7 establishes a fair value hierarchy that priorities the input to valuation techniques used to measure fair value as follows:

Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 – Applies to assets or liabilities for which there are unobservable market data.

The Company has no assets or liabilities subject to fair value measurement on a recurring basis.

For assets and liabilities measured at fair value on a non-recurring basis, the following table provides the fair value measures by level of valuation assumptions used:

	FAIR VALUE INPUT LEVEL	**AS AT SEPTEMBER 30, 2017 CARRYING AMOUNT**	**AS AT SEPTEMBER 30, 2017 ESTIMATED FAIR VALUE**	AS AT DECEMBER 31, 2016 CARRYING AMOUNT	AS AT DECEMBER 31, 2016 ESTIMATED FAIR VALUE
Financial Assets:					
Cash	1	**$ 296,088**	**$ 296,088**	$ 50,112	$ 50,112
Amounts receivable	2	**$ 3,638**	**$ 3,638**	$ 1,994	$ 1,994
Financial Liabilities:					
Accounts payable and accrued liabilities	2	**$ 98,810**	**$ 98,810**	$ 41,820	$ 41,820
Long-term payables	2	**$ 574,264**	**$ 574,264**	$ 673,123	$ 673,123
Other liabilities	2	**$ 35,201**	**$ 35,201**	$ 9,400	$ 9,400

Due to the relatively short term nature of cash, amounts receivable, accounts payable and accrued liabilities, advance payable and liabilities of discontinued operations, the fair value of these instruments approximates their carrying value.

Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

a) Credit Risk

The Company's credit risk is primarily attributable to cash and amounts receivable. Cash are held with one reputable Canadian chartered bank which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is minimal.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2017, the Company had current liabilities from continuing operations of $98,810 (December 31, 2016 - $41,820). All of the Company's liabilities are subject to normal trade terms.

11. FINANCIAL INSTRUMENTS (Continued)

c) Market Risk

i) Interest Rate Risk

The Company had cash balances and no interest bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its banks.

c) Market Risk (Continued)

ii) Commodity Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. To mitigate price risk, the Company closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

iii) Foreign Currency Risk

The Company's functional currency and the reporting currency is the Canadian dollar ("CDN$"). Periodically the Company incurs charges on its operations for settlement in currencies other than its functional currency and any gain or loss arising on such transactions is recorded in operations for the period.

The Company holds a 100% interest in its subsidiary La Quinta Nevada Inc. ("LQN") in the United States of America which is currently inactive.

The Company holds a 100% interest in Black Mammoth Gold Corporation in the United States of America.

As at September 30, 2017, a 1% strengthening in the USD relative to the CDN$ does not have a significant impact on the net loss for the period.

Any unrealized translation adjustments arising at period end are included in operating loss for the period.

12. DECOMMISSIONING PROVISION

The total future decommissioning and restoration provision was estimated by management based on the Company's interests in the Easter property in Nevada and the estimated costs of clean up. The undiscounted amount of the estimated cash flows required to settle the obligation is approximately $6,585 (December 31, 2016 - $9,400). The estimated settlement is expected to be incurred in the short-term, therefore, $9,585 represents the discounted cash flows of the obligation.

13. SEGMENTED INFORMATION

The Company operates in one business segment, mineral exploration. Its resource properties and head office are located in one geographical location, Canada. The Company's exploration and evaluation assets in Canada and United States are $190,352 at September 30, 2017 (December 31, 2016 - $78,526).

14. NON-CASH TRANSACTIONS

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows. The following transactions were excluded from the statements of cash flows:

During the period ended September 30, 2017, the Company has $127,099 (December 31, 2016 - $74,974) of unpaid exploration and evaluation expenditures expenditures in accounts payable and accrued liabilities, $20,600 (December 31, 2016 - $Nil) for warrants issued as finder's fee, and $Nil (December 31, 2016 - $676) in long term payables.

15. DEBT SETTLEMENT AND DEFERRAL AGREEMENTS

During the year ended December 31, 2016, the Company entered into debt settlement and deferral agreements with creditors which resulted in a gain on debt settlement of $137,590 and reclassification of $673,123 to long-term accounts payable and due to related parties. $673,123 was agreed to be settled by April 15, 2018.

As of September 30, 2017, the Company has $574,264 (December 31, 2016 - $673,123) in long-term accounts payable and due to related parties

16. SUBSEQUENT EVENT

Subsequent to September 30, 2017, the Company issued 372,002 common shares to creditors to settle outstanding accounts payable of $74,400.