

**BELMONT RESOURCES INC.**

**Consolidated Financial Statements  
Nine months ended October 31, 2018  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared by Management)**

### **NOTICE TO READER**

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 have been prepared by and are the responsibility of the management.

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

**BELMONT RESOURCES INC.**

Consolidated statements of financial position  
(Unaudited – Prepared by Management)  
(Expressed in Canadian dollars)

	Notes	October 31, 2018	January 31, 2018
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 121,343	\$ 60,985
Marketable securities		3,024	3,445
Receivables		12,890	2,560
Prepaid expense		2,767	1,018
		140,024	68,008
<b>Non-current assets</b>			
Due from related party	8	117,050	58,025
Property and equipment	4	24,198	26,629
Exploration and evaluation assets	5	888,269	684,779
Reclamation bond	5	57,502	13,983
Prepaid expense		4,150	4,150
		1,091,169	787,566
<b>TOTAL ASSETS</b>		<b>\$ 1,231,193</b>	<b>\$ 855,574</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities	6	\$ 20,611	\$ 101,385
Due to related parties	8	123,813	212,500
		144,424	313,885
Promissory notes	10	-	70,034
<b>TOTAL LIABILITIES</b>		<b>144,424</b>	<b>383,919</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	7	22,152,270	20,771,386
Reserves	7	845,422	719,116
Deficit		(21,910,923)	(21,018,847)
<b>TOTAL EQUITY</b>		<b>1,086,769</b>	<b>471,655</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 1,231,193</b>	<b>\$ 855,574</b>

Going concern (Note 1)  
Subsequent events (Note 13)  
Commitments (Notes 5 & 12)

Approved on Behalf of the Board:

*"James H. Place"*

Director

*"Gary Musil"*

Director

See accompanying notes to the consolidated financial statements

**BELMONT RESOURCES INC.**

Consolidated statements of comprehensive loss  
(Unaudited –Prepared by Management)  
(Expressed in Canadian dollars)

	Notes	Three months ended		Nine months ended	
		October 31, 2018	October 31, 2017	October 31, 2018	October 31, 2017
<b>Expenses</b>					
Amortization	4	\$ 811	\$ 167	\$ 2,431	\$ 502
Consulting fees		38,810	-	98,810	81,612
Legal and audit		19,869	3,817	57,832	25,468
Loan interest	10	2,714	4,977	6,741	16,733
Office and miscellaneous		3,210	1,558	6,700	7,449
Property costs		535	-	535	-
Regulatory fees		15,767	2,210	27,374	16,025
Rent	8	3,949	4,101	13,489	9,074
Salaries and administration services	8	34,596	32,088	93,191	98,630
Shareholder relations		1,075	121	11,078	10,861
Stock based payment	7, 8				
Directors		-	-	80,766	-
Consultants		33,557	545	129,295	6,087
Telephone and internet		1,272	1,268	3,423	3,582
Transfer agent fees		4,040	4,238	11,018	11,076
Travel and promotion		146,517	12,534	275,546	183,081
		(306,722)	(67,624)	(818,229)	(470,180)
<b>Other items</b>					
Impairment of exploration and evaluation assets	7	(80,000)	-	(80,000)	-
Bad debt recovered (expenses)		-	15,278	6,153	19,008
Loss on debt settlement		-	-	-	(3,700)
		(80,000)	15,278	(73,847)	15,308
<b>Net loss for the period</b>		<b>(386,722)</b>	<b>(52,346)</b>	<b>(892,076)</b>	<b>(454,872)</b>
<b>Other comprehensive income</b>					
Unrealized gains (losses) on financial assets		(553)	(1,960)	422	(3,861)
<b>Total comprehensive loss for the period</b>		<b>\$ (387,275)</b>	<b>\$ (54,306)</b>	<b>\$ (891,654)</b>	<b>\$ (458,733)</b>
<b>Loss per share – basic and diluted</b>		<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of shares</b>		<b>86,347,265</b>	<b>49,629,000</b>	<b>74,442,774</b>	<b>46,154,826</b>

See accompanying notes to the consolidated financial statements

**BELMONT RESOURCES INC.**

Consolidated statement of changes in shareholders' equity (deficiency)  
(Unaudited – Prepared by Management)  
(Expressed in Canadian dollars)

	Share capital		Share subscription Advance	Reserves			Total
	Number of shares	Amount		Stock-based reserve	Revaluation of financial assets	Deficit	
<b>Balance at February 1, 2017</b>	<b>35,400,951</b>	<b>\$ 19,717,994</b>	<b>\$ 10,000</b>	<b>\$ 686,992</b>	<b>\$ (7,690)</b>	<b>\$ (20,374,136)</b>	<b>\$ 33,160</b>
Loss for the period	-	-	-	-	-	(454,872)	(454,872)
Other comprehensive income	-	-	-	-	(3,861)	-	(3,861)
Total comprehensive loss for the period	-	-	-	-	(3,861)	(454,872)	(458,733)
Shares issued for cash							
- Private placement	13,350,000	667,500	(10,000)	-	-	-	657,500
- Options	150,000	14,096	-	(5,846)	-	-	8,250
- Warrants	250,000	15,000	-	-	-	-	15,000
Share issue costs	-	(24,391)	-	13,141	-	-	(11,250)
Shares issued to acquire exploration and evaluation	370,000	29,600	-	-	-	-	29,600
Shares issued for promissory notes	140,000	7,000	-	-	-	-	7,000
Stock based payment	-	-	-	6,088	-	-	6,088
	14,260,000	708,805	(10,000)	13,383	-	-	712,188
<b>Balance at October 31, 2017</b>	<b>49,660,951</b>	<b>\$ 20,426,799</b>	<b>\$ -</b>	<b>\$ 700,375</b>	<b>\$ (11,551)</b>	<b>\$ (20,829,008)</b>	<b>\$ 286,615</b>
<b>Balance at February 1, 2018</b>	<b>61,567,618</b>	<b>\$ 20,771,386</b>	<b>-</b>	<b>\$ 729,520</b>	<b>\$ (10,404)</b>	<b>\$ (21,018,847)</b>	<b>\$ 471,655</b>
Loss for the period	-	-	-	-	-	(892,076)	(892,076)
Other comprehensive income (loss)	-	-	-	-	(422)	-	(422)
Total comprehensive loss for the period	-	-	-	-	(422)	(892,076)	(892,498)
Shares issued for cash							
- private placement	14,260,000	685,000	-	-	-	-	685,000
- options	3,300,000	247,155	-	(72,154)	-	-	175,001
- w warrants	9,199,000	486,529	-	(11,179)	-	-	475,350
Share issue costs	-	(37,800)	-	-	-	-	(37,800)
Share-based payment	-	-	-	210,061	-	-	210,061
	26,759,000	1,380,884	-	126,728	-	-	1,507,612
<b>Balance at October 31, 2018</b>	<b>88,326,618</b>	<b>\$ 22,152,270</b>	<b>\$ -</b>	<b>\$ 856,248</b>	<b>\$ (10,826)</b>	<b>\$ (21,910,923)</b>	<b>\$ 1,086,769</b>

See accompanying notes to the consolidated financial statements

**BELMONT RESOURCES INC.**

Consolidated statements of cash flows  
(Unaudited – Prepared by Management)  
(Expressed in Canadian dollars)

	Three months ended		Nine months ended	
	October 31, 2018	October 31, 2017	October 31, 2018	October 31, 2017
<b>Operating activities:</b>				
Net loss for the period:	\$ (386,722)	\$ (52,346)	\$ (892,076)	\$ (454,872)
Adjustments for non-cash items:				
Amortization	811	167	2,431	502
Interest on promissory note	-	3,926	-	8,134
Impairment of exploration and evaluation asset	80,000	-	80,000	-
Loss on debt settlement	-	-	-	3,700
Share-based payments	33,557	545	210,061	6,087
Changes in non-cash items:				
Receivables	(6,858)	5,467	(10,330)	(171)
Prepaid expenses	3,333	1,250	(1,749)	9,352
Trade payables and accrued liabilities	(30,114)	11,490	(80,774)	54,514
Due from related parties	(19,943)	(19,533)	(59,025)	(38,492)
Net cash flows from (used in) operating activities	(325,936)	(49,034)	(751,462)	(411,246)
<b>Investing Activities</b>				
Expenditures on exploration and evaluation assets	(236,401)	(38,136)	(327,009)	(258,618)
Advances from (to) related parties	(75,000)	30,325	(88,687)	38,476
Net cash flows from (used in) investing activities	(311,401)	(7,811)	(415,696)	(220,142)
<b>Financing activities</b>				
Shares issued for cash	277,750	-	1,335,350	688,250
Share subscription	-	-	-	(10,000)
Share issuance costs - cash	-	-	(37,800)	(8,750)
Promissory note financing	-	35,000	-	-
Promissory notes - repayment	(32,811)	-	(70,034)	(25,544)
Net cash flows from (used in) financing activities	244,939	35,000	1,227,516	643,956
<b>(Decrease) Increase in cash</b>	<b>(392,398)</b>	<b>(21,845)</b>	<b>60,358</b>	<b>12,568</b>
<b>Cash and equivalents, beginning</b>	<b>513,741</b>	<b>43,459</b>	<b>60,985</b>	<b>9,046</b>
<b>Cash and equivalents, ending</b>	<b>\$ 121,343</b>	<b>\$ 21,614</b>	<b>\$ 121,343</b>	<b>\$ 21,614</b>

Non – cash transactions (Note 11)

See accompanying notes to the consolidated financial statements

## **BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

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### **1. Nature and continuance of operations**

Belmont Resources Inc. (the "Company") is incorporated under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of lithium claims in Nevada, USA. The Company's shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "BEA".

The corporate head office and principal place of business of the Company is 625 Howe Street, Suite 600, Vancouver, British Columbia, Canada, V6C 2T6.

#### ***Going concern***

The consolidated financial statements have been prepared on a going concern basis of presentation, which assumes that the Company will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. To date, the Company has not earned significant revenue and has an accumulated deficit of \$21,910,923. The Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing and or achieve profitable operations in the future.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. These adjustments could be material. The Company's financing efforts to date, while substantial, are not sufficient in and of themselves to enable the Company to fund all aspects of its operations. Management will pursue funding initiatives if, as and when required to meet the Company's requirements on an ongoing basis. Nevertheless, there is no assurance that these initiatives will be successful or sufficient.

There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These circumstances comprise a material uncertainty which may cast significant doubt as to the ability of the Company to meet its obligations as they fall due and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

These financial statements do not reflect adjustments, which could be material, to the carrying value of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

### **2. Significant accounting policies and basis of preparation**

These financial statements were authorized for issue on December 28, 2018 by the Board of Directors.

#### ***Basis of presentation and statement of compliance***

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Issues Committee ("IFRIC"). The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. These financial statements comply with International Accounting Standard ("IAS") 34 "Interim Financial Reporting".

These financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 31 January 2018.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

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**2. Significant accounting policies and basis of preparation (continued)*****Significant estimates and assumptions***

The preparation of these 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. Significant 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, the recoverability of amounts due from related parties, the recoverability and measurement of deferred tax assets, and the provisions for restoration and environmental obligations.

***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 in applying 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; and
- the classification and allocation of exploration and evaluation expenditures.

***Exploration and evaluation assets***

Exploration and evaluation assets are composed of exploration and evaluation expenditures which include the costs of acquiring rights or licenses for exploration, costs associated with exploration and evaluation activities, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred.

Government tax credits received are recorded as a reduction to the cumulative costs incurred on the related property.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain mineral claims, as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral claims. The Company has investigated title to all of its mineral claims and, to the best of its knowledge, title to all of its claims are in good standing.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

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**2. Significant accounting policies and basis of preparation (continued)*****Share-based payments***

The Company grants stock options to purchase 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.

The fair value of stock options is 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. When the stock options are forfeited or expire, the amount previously recognized in the reserve is transferred to deficit.

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

***Financial instruments***

The Company's financial instruments consist of cash, marketable securities, due from related parties, reclamation bond, trade payables and due to related parties.

Cash, reclamation bond, and due from related parties are classified as loans and receivables are recorded at amortized cost using the effective interest rate method. In addition, any impairment of loans and receivables are deducted from the amortized costs.

Marketable securities and investment 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.

Accounts payable and due to related parties are classified as other financial liabilities, and recorded at amortized cost using the effective interest rate method.

***Impairment of non-financial assets***

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount is the greater of the fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to an asset. For the asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If, in the subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the assets at the date the impairment is reversed does not exceed what the cost less accumulated depreciation would have been had the impairment not been recognized.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

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**2. Significant accounting policies and basis of preparation (continued)*****Income taxes***Current income tax

Current income tax assets and liabilities for the current period 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.

Deferred tax

Deferred tax is recognized 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 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 tax asset to be utilized.

Deferred 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 tax assets and deferred 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.

***Equipment***

Equipment is stated at historical cost less accumulated depreciation and impairment charges.

Amortization is calculated on the declining balance basis at the following annual rates:

Computer equipment	30%
Office equipment	20%
Exploration equipment	30%
Building	10 year straight-line

One-half the normal rate is recorded in the year of acquisition.

The Company's equipment is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the asset's recoverable amount is estimated. Impairment losses are recognized in profit or loss. An impairment loss is reversed if there is an 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 depreciation, if no impairment loss had been recognized.

The cost of replacing part of a piece of equipment is recognized in the carrying amount of the equipment if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of the equipment are recognized in profit or loss as incurred.

***Foreign currency translation***

The consolidated financial statements of the Company are prepared in the currency of the primary economic environment in which the Company operates (its functional currency). The functional and presentation currency of the Company is the Canadian dollar.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

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**2. Significant accounting policies and basis of preparation (continued)*****Foreign currency translation (continued)***

In preparing the financial statements, transaction in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, necessary items denominated in foreign currencies are retranslated at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise.

***Warrants issued in equity financing transactions***

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and to explore and evaluate mineral properties. These equity financing transactions may involve the issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of common share purchase warrants ("Warrants"). Depending on the terms and conditions of each equity financing agreement ("Agreement"), the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement. Warrants that are part of units are valued based on the residual value method. The warrants that are issued as payment for agency fees or other transactions costs are accounted for as share-based payments.

***Basic and diluted loss per share***

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of outstanding common shares for the period. In computing diluted earnings per share, an adjustment is made for the dilutive effect of the exercise of stock options and warrants. The number of additional shares is calculated by assuming that outstanding stock options and warrants are exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. In periods where a net loss is reported, outstanding options and warrants are excluded from the calculation of diluted loss per share, as they are anti-dilutive. Diluted loss per share is equal to the basic loss per share as net losses were reported during the periods presented.

**3. New accounting standards adopted and issued**

The Company has adopted the following new and revised accounting pronouncements.

**New standard IFRS 9 "Financial Instruments"**

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 introduces new requirements for the classification and measurement of financial assets, additional changes relating to financial liabilities, a new general hedge accounting standard which will align hedge accounting more closely with risk management. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The Company adopted this standard February 1, 2018 and does not expect the implementation of IFRS 9 to have a material impact on the accounting for its financial assets.

**New standard IFRS 15 "Revenue from Contracts with Customers"**

This new standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. IFRS 15 was adopted by the Company on February 1, 2018. Overall, the Company does not expect the implementation of IFRS 15 to have a significant impact on its revenue or have any impact on its consolidated financial statements.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

**3. Accounting standards adopted and issued (continued)**

## New standard IFRS 16 “Leases”

This new standard replaces IAS 17 “Leases” and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15. Overall, the Company does not expect the implementation of IFRS 17 to have a significant impact to profit or loss. The Company continues to assess the impact of the disclosure requirements under IFRS on the Company’s consolidated financial statements.

**4. Property and equipment**

	<b>Computer Equipment</b>	<b>Office Equipment</b>	<b>Exploration Equipment</b>	<b>Building</b>	<b>Total</b>
<b>Cost:</b>					
At January 31, 2017	\$ 4,054	\$ 18,681	\$ 27,309	\$ -	\$ 50,044
Camp office	-	-	-	25,900	25,900
Camp office - closing cost	-	-	-	1,607	1,607
At January 31, 2018	4,054	18,681	27,309	27,507	77,551
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At October 31, 2018	\$ 4,054	\$ 18,681	\$ 27,309	\$ 27,507	\$ 77,551
<b>Depreciation:</b>					
At January 31, 2017	\$ 3,359	\$ 17,976	\$ 26,165	\$ -	\$ 47,500
Charge for the period	200	124	347	2,750	3,421
At January 31, 2018	3,559	18,100	26,512	2,750	50,921
Charge for the period	112	77	180	2,063	2,432
At October 31, 2018	\$ 3,671	\$ 18,177	\$ 26,692	\$ 4,813	\$ 53,353
<b>Net book value:</b>					
At January 31, 2018	\$ 495	\$ 581	\$ 797	\$ 24,757	\$ 26,630
At October 31, 2018	\$ 383	\$ 504	\$ 617	\$ 22,694	\$ 24,198

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

**5. Exploration and evaluation assets**

	USA		Canada		Total
	Kibby Basin	Mid Corner	Other		
<b>Property acquisition costs</b>					
Balance, January 31, 2018	\$ 180,884	\$ 73,500	\$ 2	\$	254,386
Additions					
Cash payments	-	6,500	-		6,500
Claim fees and staking costs	86,185	-	-		86,185
Balance, October 31, 2018	267,069	80,000	2		347,071
<b>Exploration and evaluation costs</b>					
Balance, January 31, 2018	386,131	-	-		386,131
Costs incurred during period:					
Assays and testing	9,831	-	-		9,831
Drilling	402,018	-	-		402,018
Geophysics	12,129	-	-		12,129
Geological consulting	60,550	-	-		60,550
Camp office & accommodation	14,289	-	-		14,289
	498,817	-	-		498,817
Other:					
Option payments received	(263,750)	-	-		(263,750)
Writedown due to impairment	-	(80,000)	-		(80,000)
Balance, October 31, 2018	621,198	(80,000)	-		621,198
Total	\$ 888,267	\$ -	\$ 2	\$	888,269

	USA		Canada		Total
	Kibby Basin	Mid Corner	Other		
<b>Property acquisition costs</b>					
Balance, January 31, 2017	\$ 180,884	\$ -	\$ 2	\$	180,886
Cash payments	-	3,500	-		3,500
Claim fees and staking costs	44,262	-	-		44,262
Legal and due diligence	-	2,500	-		2,500
Payments with issuance of shares	-	67,500	-		67,500
Balance, January 31, 2018	225,146	73,500	2		298,648
<b>Exploration and evaluation costs</b>					
Balance, January 31, 2017	67,381	-	-		67,381
Assays and testing	1,138	-	-		1,138
Drilling	158,040	-	-		158,040
Geophysics	103,789	-	-		103,789
Geological consulting	41,379	-	-		41,379
Camp office and accommodation	14,404	-	-		14,404
Balance, January 31, 2018	386,131	-	-		386,131
Total	\$ 611,277	\$ 73,500	\$ 2	\$	684,779

## **BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

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### **5. Exploration and evaluation assets (continued)**

#### a) Kibby Basin, Nevada, USA

On March 29, 2016, the Company entered into a Property Purchase Agreement (the "Agreement") with Zimtu Capital Corp. ("Zimtu") to acquire 100% interest of 16 mineral claims, the Kibby Basin Property, located north of Clayton Valley, Nevada, U.S.A. Terms of the Agreement are:

- (i) Pay to Zimtu the sum of \$25,000 (paid); and,
- (ii) Issue 1,000,000 common shares to Zimtu (issued).

The property is subject to a 1.5% net smelter returns ("NSR") of which the Company has the right to purchase half of the NSR from Zimtu, at any time, for \$1,000,000. As of January 31, 2018, a reclamation bond of \$13,983 (January 31, 2017 - \$13,983) is held in trust for the Company at the Bureau of Land Management. The Agreement is in good standing and the Kibby Basin Property title is in Zimtu's name as they are holding it in trust for the Company.

On September 29, 2017, in connection with the ongoing exploration program, the Company acquired a camp office and core storage facility in Mina, Nevada for \$25,900. The Company settled the amount through the issuance of 370,000 common shares valued at \$29,600 which resulted in a loss of \$3,700.

On July 12, 2018 the Company entered into a Property Option Agreement with MGX Minerals Inc. ("MGX") to acquire an initial 25% interest in return for exploration funding of up to \$300,000 for drilling and testing the first deep hole in the anomaly indicated in the MT Survey. MGX can earn an additional 25% (total 50%) interest by funding a further \$300,000 in the drilling of a second deep test hole into the anomaly. The Agreement also contains a provision that MGX will invest \$200,000 in the Company in the form of a non-brokered private placement for 4 million units of Belmont (the "Units") at a price of \$0.05 per Unit. Each Unit consists of one common share of Belmont and one transferable share purchase warrant (a "Warrant"). Each whole Warrant will permit the holder to acquire one additional share of the Company at a price of \$0.08 in the first year and at \$0.10 in the second year until July 23, 2020.

In addition MGX was granted warrants to purchase up to 10 million shares of Belmont, at a price of \$0.20 per share, exercisable until August 24, 2021.

#### b) Mid Corner/Johnson Croft Property, northwest of Saint John, New Brunswick

On November 21, 2017, the Company entered into a Purchase Agreement (the "MC Agreement") to acquire up to 100% interest in the Mid Corner/Johnson Croft Property (the "MC Property") northwest of Saint John, New Brunswick. Under the MC agreement, the Company is required to make the following payments under two options:

##### *Option One*

In consideration for a 80% interest in the MC Property, the Company will make the following payments:

- Issue 1,500,000 common shares (issued 1,500,000 common shares with a fair value of \$67,500); and
- Cash payment of \$10,000 (paid).

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

**5. Exploration and evaluation assets (continued)**

b) Mid Corner/Johnson Croft Property, northwest of Saint John, New Brunswick (continued)

*Option Two*

At the option of the Company, the Company may acquire additional 20% interest in the MC property by making the following payments:

- Issue 500,000 common shares by November 21, 2018; subject to the Company obtaining a report prepared by a person who is a “qualified person” for the purposes of National Instrument 43-101 recommending exploration expenditures aggregating not less than \$50,000 on an exploration program on the MC property.

During the period the Company and vendor mutually agreed to terminate the option. An impairment of \$80,000 has been recorded.

**6. Trade payables and accrued liabilities**

	<b>October 31, 2018</b>	<b>January 31, 2018</b>
Trade payables	\$ 17,611	\$ 80,385
Accrued liabilities	3,000	21,000
	<b>\$ 20,611</b>	<b>\$ 101,385</b>

**7. Share capital*****Authorized share capital***

Unlimited number of common shares without par value.

***Share Issuances***

During the period ended October 31, 2018, the Company issued a total of 3,300,000 common shares pursuant to the exercise of stock options at prices between \$0.05 and \$0.06 per share for proceeds of \$175,000. The fair value of \$80,457 was transferred from stock based reserve to share capital.

During the period ended October 31, 2018, the Company issued 9,199,000 common shares at prices between \$0.05 and \$0.06 per share for proceeds of \$480,350 in connection with the exercise of 9,199,000 warrants. The fair value of \$2,876 was transferred from stock based reserve to share capital.

On July 23, 2018, the Company issued 7,500,000 units at \$0.05 per unit for gross proceeds of \$375,000. Each unit comprises one common share and one transferable share purchase warrant expiring July 23, 2020. Each warrant entitles the holder to acquire one additional common share at a price of \$0.08 per share in the first year and \$0.10 per share in the second year.

On April 5, 2018, the Company issued 1,160,000 units at \$0.05 per unit for gross proceeds of \$58,000. Each unit comprises one common share and one transferable share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of \$0.06 per share until April 5, 2020.

On March 21, 2018, the Company issued 2,800,000 units at \$0.05 per unit for gross proceeds of \$140,000. Each unit comprises one common share and one transferable share purchase warrant.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

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**7. Share capital (continued)**

Each warrant entitles the holder to acquire one additional common share at a price of \$0.06 per share until March 21, 2020.

On March 8, 2018, the Company issued 2,800,000 units at \$0.04 per unit for gross proceeds of \$112,000. Each unit comprises one common share and one transferable share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of \$0.05 per share until March 8, 2020.

During the year ended January 31, 2018, the Company issued 250,000 common shares at a price of \$0.06 per share for proceeds of \$15,000 in connection with the exercise of 250,000 warrants.

On December 8, 2017, the Company issued 10,406,667 units at \$0.03 per unit for gross proceeds of \$312,200. Each unit comprises one common share and one transferable share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of \$0.05 per share until December 8, 2018. Finder's fees of \$10,536 cash and 261,600 non-transferable warrants were issued with the same terms as above. The brokers' warrants were valued at \$5,876 using the Black-Scholes option pricing model with a volatility of 117.85%, expected life of 1 year, discount rate of 1.79% and a dividend rate of 0%.

On November 28, 2017, the Company issued 1,500,000 common shares valued at \$67,500 pursuant to the MC Agreement (Note 5).

On August 21, 2017, the Company issued 140,000 common shares with a fair value of \$7,000 as bonus shares in consideration of promissory notes issued.

On June 27, 2017, the Company issued 4,000,000 units at \$0.05 per unit for gross proceeds of \$200,000. Each unit consists of one common share and one two year transferable share purchase warrant. Each re-priced warrant entitles the holder to purchase one additional common share at a price of \$0.06 until June 27, 2019. The warrant contains an accelerated expiry clause that should the closing price for the Company's shares is \$0.075 or greater for a period of 10 consecutive trading days, then the warrant holders will have 30 days to exercise their warrants, otherwise the warrants will expire on the 31<sup>st</sup> day. The Company paid finder's fees of \$2,500 in cash.

On May 19, 2017, the Company issued 370,000 common shares to settle the balance of \$25,900 payable by the Company to American CuMo Mining Corporation. The shares were valued at a fair value of \$29,600 resulting in a loss on debt settlement of \$3,700.

On May 16, 2017, the Company issued 150,000 common shares at prices of \$0.05 and \$0.08 for proceeds of \$8,250, in connection with the exercise of 125,000 and 25,000 stock options, respectively. The fair value of \$5,845 was transferred from stock based reserve to share capital.

On March 15, 2017, the Company issued 2,000,000 units at \$0.05 per unit for gross proceeds of \$100,000. Each unit consists of one common share and one two year transferable share purchase warrant. Each re-priced warrant entitles the holder to purchase one additional common share at a price of \$0.06 until March 15, 2019. The warrant contains an accelerated expiry clause that should the closing price for the Company's shares is \$0.075 or greater for a period of 10 consecutive trading days, then the warrant holders will have 30 days to exercise their warrants, otherwise the warrants will expire on the 31<sup>st</sup> day.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

**7. Share capital (continued)**

On March 1, 2017, the Company issued 3,140,000 units at \$0.05 per unit for gross proceeds of \$157,000. Each unit consists of one common share and one two year transferable share purchase warrant. Each re-priced warrant entitles the holder to purchase one additional common share at a price of \$0.06 until March 1, 2019. The warrant contains an accelerated expiry clause that should the closing price for the Company's shares is \$0.075 or greater for a period of 10 consecutive trading days, then the warrant holders will have 30 days to exercise their warrants, otherwise the warrants will expire on the 31<sup>st</sup> day. The Company paid finder's fees of \$8,500 in cash and issued 170,000 brokers' warrants. Each brokers' warrant entitles the holder to acquire one additional share at a price of \$0.08 per share in the first year and at \$0.10 per share in the second year. The brokers' warrants were valued at \$10,299 using the Black-Scholes option pricing model with a volatility of 147.31%, expected life of 2 years, discount rate of 0.78% and a dividend rate of 0%.

On February 22, 2017, the Company issued 4,210,000 units at \$0.05 per unit for gross proceeds of \$210,500. Each unit consists of one common share and one two year transferable share purchase warrant. A total of 1,000,000 warrants held by insiders are exercisable by the holder to purchase one additional common share for a period of two years at a price of \$0.08 in the first year and \$0.10 in the second year. The remaining 3,210,000 warrants have been re-priced and are exercisable at a price of \$0.06 until February 22, 2019. The re-priced warrant contains an accelerated expiry clause that should the closing price for the Company's shares is \$0.075 or greater for a period of 10 consecutive trading days, then the warrant holders will have 30 days to exercise their warrants, otherwise the warrants will expire on the 31<sup>st</sup> day. The Company paid finder's fees of \$250 in cash and issued 43,000 brokers' warrants. Each brokers' warrant entitles the holder to acquire one additional share at a price of \$0.08 per share in the first year and at \$0.10 per share in the second year. The brokers' warrants were valued at \$2,845 using the Black-Scholes option pricing model with a volatility of 147.31%, expected life of 2 years, discount rate of 0.78% and a dividend rate of 0%.

**Stock Options**

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position. The options vest at the discretion of the Board of Directors.

The changes in stock options are as follows:

	Number of options	Weighted average exercise price
Balance, January 31, 2017	2,075,000	\$ 0.06
Granted	2,000,000	0.05
Exercised	(150,000)	0.06
Balance, January 31, 2018	3,925,000	\$ 0.06
Granted	5,325,000	0.05
Expired	(1,125,000)	0.05
Exercised	(3,300,000)	0.06
Balance, October 31, 2018	4,825,000	\$ 0.06
Exercisable, October 31, 2018	4,125,000	\$ 0.06

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

**7. Share capital (continued)**

As at October 31, 2018, stock options were outstanding as follows:

<b>Number of Options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Weighted Average Remaining Life (Years)</b>
300,000	\$0.05	November 17, 2018	0.05
150,000	\$0.05	March 29, 2019	0.41
750,000	\$0.08	June 22, 2019	0.64
500,000	\$0.08	November 17, 2019	1.05
800,000	\$0.06	March 9, 2021	2.36
100,000	\$0.05	May 17, 2021	2.54
1,625,000	\$0.06	July 9, 2021	2.69
600,000	\$0.05	September 11, 2021	2.86
<b>4,825,000</b>			

During the period ended October 31, 2018, stock-based payments recognized on stock options vested were \$210,061 (January 31, 2018 - \$29,356). The fair value of the stock options granted was determined using the Black-Scholes option pricing model using the following weighted average assumptions:

	<b>October 31, 2018</b>	<b>January 31, 2018</b>
Expected life	3 years	1 years
Annualized volatility	123.79%	135.56%
Risk-free interest rate	2.01%	1.41%
Dividend rate	0%	0%

**Warrants**

Changes in warrants are as follows:

	<b>Number of warrants</b>	<b>Weighted average exercise price</b>
Balance, January 31, 2017	14,203,000	\$ 0.09
Issued	24,230,267	0.08
Exercised	(250,000)	0.06
Expired	(1,865,000)	0.09
Balance, January 31, 2018	36,318,267	\$ 0.09
Issued	24,260,000	0.12
Exercised	(9,099,000)	0.06
Expired	(10,688,000)	0.13
Balance, October 31, 2018	40,791,267	\$ 0.08

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the nine months ended October 31, 2018

**7. Share capital (continued)**

The warrants outstanding at October 31, 2018 are as follows:

<b>Number outstanding</b>	<b>Weighted average exercise price</b>	<b>Weighted average remaining life (years)</b>	<b>Expiry date</b>
4,109,267	\$ 0.05	0.10	December 8, 2018
2,170,000	\$ 0.06	0.31	February 22, 2019
1,042,000	\$ 0.08	0.31	February 22, 2019
2,140,000	\$ 0.06	0.33	March 1, 2019
170,000	\$ 0.08	0.33	March 1, 2019
1,400,000	\$ 0.12	0.35	March 7, 2019
2,000,000	\$ 0.06	0.37	March 15, 2019
4,000,000	\$ 0.06	0.65	June 27, 2019
2,300,000	\$ 0.05	1.35	March 8, 2020
2,800,000	\$ 0.06	1.39	March 21, 2020
1,160,000	\$ 0.06	1.43	April 5, 2020
7,500,000	\$ 0.09	1.73	July 23, 2020
10,000,000	\$ 0.20	2.82	August 24, 2021
40,791,267	\$ 0.08	1.37	

On May 3, 2018 the Company repriced a total of 12,350,000 two year transferable share purchase warrants. These warrants originally had an exercise price of \$0.08 in the first year and \$0.10 in the second year and have been repriced to an exercise price of \$0.06 for the entire two year term. These amended warrants also have an accelerated expiry clause.

**8. Related party transactions*****Related party balances***

The following balances are due from related parties:

	<b>October 31, 2018</b>	<b>January 31, 2018</b>
Companies with directors and officers in common	\$ 117,050	\$ 58,025

During the year ended January 31, 2017, the Company recorded a bad debt expense of \$120,703 in connection of impairment of the balance due from the companies with common directors and officers. During the period ended July 31, 2018 the Company has recovered \$6,153 of the prior year's bad debt.

The following amounts are due to related parties:

	<b>October 31, 2018</b>	<b>January 31, 2018</b>
Company with directors and officers in common	\$ 1,313	\$ -
Directors	122,500	212,500
	\$ 123,813	\$ 212,500

Amounts due to and from related parties are unsecured, non-interest bearing and with no specific terms of repayment.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

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For the nine months ended October 31, 2018

**8. Related party transactions (continued)**

The Company recovered the following amounts from companies with common directors.

	Period ended October 31,	
	2018	2017
Rent recoveries	\$ 42,300	\$ 42,300
Administration services recoveries	10,260	10,260
	\$ 52,560	\$ 52,560

**Key management personnel compensation**

	Period ended October 31,	
	2018	2017
Management fees	\$ 45,000	\$ 45,000
Salaries and benefits	45,000	46,529
Share based payment	50,480	-
	\$ 140,480	\$ 91,529

The Company entered into a settlement agreement with the Company's Chief Executive Officer who retired as of January 31, 2018. The compensation includes one-time severance payment of \$60,000 as well as a bonus of 10% of any award the Company receives from the legal action against the Slovak Republic within the next five years up to a maximum of \$300,000.

On February 1, 2018 the Company entered into a Management Services agreement with Geomorph Consulting, a company owned by the Company's new Chief Executive Officer, for a monthly fee of \$5,000 for a term of two years.

During the period ended October 31, 2018, the Company recorded share-based payments of \$30,286 (2017 - \$nil) to directors of the Company.

**9. Financial instruments, risk and capital management**

The Company is exposed in varying degrees to a variety of financial instrument related risks.

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is high credit quality financial institutions as determined by rating agencies.

**Foreign Exchange Risk**

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to exchange risk as its mineral property interest is located in the United States and transactions are conducted in the US dollar.

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

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For the nine months ended October 31, 2018

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**9. Financial instruments, risk and capital management (continued)****Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash accounts is relatively unaffected by changes in short term interest rates.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages this risk by careful management of its working capital. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There is no assurance of continued access to significant equity funding. As discussed in Note 1: Going Concern, the Company requires additional funding to continue with its ongoing operations and exploration commitments.

**Capital Management**

The Company includes cash and equity in the definition of capital. Equity is comprised of issued common shares, reserves, and deficit.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. There were no changes in the Company's approach to capital management during the year.

**Fair value**

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; and
- Level 3 – Inputs that are not based on observable market data.

Marketable securities are based on level 1 inputs.

**10. Promissory notes**

On August 15, 2017, the Company entered into a promissory note whereby the Company agreed to pay the promissory note of \$35,000 any time after August 15, 2018 subject to a monthly interest rate of 1.5%. In consideration for the promissory note, the Company issued 140,000 common shares with a fair value of \$7,000. During the period ended October 31, 2018, the Company paid interest of \$4,200 (2017 - \$1,050) and recorded \$4,272 (2017 - \$2,649) in interest expense.

On October 6, 2016, the Company entered into promissory notes whereby the Company agreed to pay the promissory notes of \$105,000 any time after September 30, 2017 subject to a monthly interest rate of 1.5%. In consideration for the promissory notes, the Company issued 262,500 common shares with a fair value of \$14,438. During the year ended January 31, 2018, the Company

**BELMONT RESOURCES INC.**

Notes to the Consolidated Financial Statements

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**10. Promissory notes (continued)**

repaid a balance of \$70,718 and recorded \$16,574 in interest expenses. During the period the Company repaid the balance of \$30,000 and interest of \$8,100.

	<b>October 31, 2018</b>	<b>January 31, 2018</b>
Balance, beginning of period	\$ 70,034	\$ 89,514
Promissory notes	-	35,000
Interest expense	7,266	23,238
Fair value of common shares issued	-	(7,000)
Repayment	(77,300)	(70,718)
Balance, end of period	\$ -	\$ 70,034

**11. Non-cash transactions**

The Company incurred the following non-cash transactions that are not reflected in the statement of cash flows:

	<b>October 31, 2018</b>	<b>October 31, 2017</b>
Fair value of brokers' warrants issued	\$ -	\$ 13,141
Fair value of bonus shares issued in connection with issuance of promissory notes	-	7,000
Fair value of shares issued on acquisition of exploration and evaluation assets	-	29,600

**12. Arbitration agreements**

On March 5, 2014, the Company entered into an agreement with EuroGas in respect of EuroGas' international arbitration against the Slovak Republic in connection with the soapstone talc mineral deposit located near Gemerska Poloma, Slovak Republic. The Company has agreed to provide a power of attorney to a law firm which is acting on behalf of both the Company and EuroGas in filing an action for damages against the Slovak Federal Republic.

During the year ended January 31, 2015, the Company issued 1,400,000 share purchase warrants to EuroGas whereby each warrant may be exercised for the purchase of one common share at a price of \$0.12 per share for a period of five years. The number of warrants that may be exercised by EuroGas will be based on the remuneration received by the Company pursuant to the arbitration.

On April 7, 2017 the Company terminated the March 5, 2014 agreement with EuroGas and entered into a new agreement whereby the Company shall be entitled to receive its share of any final award corresponding to the losses incurred in proportion to the Company's 57% holding in Rozmin S.R.O. subject to legal fees incurred, financing and associated payments and other necessary adjustments and deductions.

On August 22, 2017, the Company was informed of the decision by the Tribunal of the International Centre for Settlement of Investment Disputes ("ICSID") in reviewing the dispute involving the Company, EuroGas Inc. ("EuroGas"), and the Slovak Republic in connection with Rozmin S.R.O. and its ownership of the Gemerska Poloma talc deposit. The tribunal has declined to accept jurisdiction for the review and determination of the dispute on technical grounds related to the inter-judicial treaty between Canada and Slovakia. On November 21, 2017, the Company engaged its legal counsel to pursue annulment proceedings against the August 18, 2017 decision. The Company was unable to secure financing to proceed with the application within the deadline and as a result, the proceeding may be discontinued.

**BELMONT RESOURCES INC.**

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**13. Subsequent events**

On December 6, 2018 the Company issued 239,000 common shares in connection with the exercise of 239,000 warrants exercisable at \$0.05 for total proceeds of \$11,950.

On December 8, 2018 a total of 3,870,267 warrants exercisable at \$0.05 expired unexercised.

On December 17, 2018 the Company issued a total of 214,286 finder's fee units in connection with the completion of MGX Minerals Inc. earn in of 25% interest in the Kibby Property. Each unit is comprised of one common share and one transferable share purchase warrant exercisable at a price of \$0.07 until December 17, 2019 and thereafter at a price of \$0.10 per share until December 17, 2020.