REDSTAR GOLD CORP.

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CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

MARCH 31, 2019 AND 2018

REDSTAR GOLD CORP.

Contents

Independent Auditor's Report

To the Shareholders of Redstar Gold Corp.:

Opinion

We have audited the consolidated financial statements of Redstar Gold Corp. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2019 and March 31, 2018, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2019 and March 31, 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has incurred an accumulated deficit of $29,666,000 as of March 31, 2019. As stated in Note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Andrea M. Brown.

Vancouver, British Columbia

June 26, 2019

MNP LLP

Chartered Professional Accountants

REDSTAR GOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Presented in Canadian Dollars)

	Note		March 31, 2019		March 31, 2018
Assets					
Current					
Cash and cash equivalents		$	1,434,481	$	2,132,353
Short-term investments	6		5,750		5,750
Marketable securities	7		978,578		25,465
Amounts receivable			2,556		15,787
Prepaid amounts and advances			58,908		57,761
			2,480,273		2,237,116
Non-current					
Investment in NV Gold	8		735,792		5,864,093
Reclamation bond	9		7,921		7,643
Exploration and evaluation assets	9		3,983,303		3,951,584
Intangible assets	10		2,488		3,554
Equipment	11		11,882		23,790
			4,741,386		9,850,664
		$	7,221,659	$	12,087,780
Liabilities					
Current					
Accounts payable and accrued liabilities		$	105,661	$	149,389
Due to related parties	14		65,840		85,357
			171,501		234,746
Shareholders' equity					
Share capital	13		32,419,456		32,419,456
Reserves			4,296,629		7,798,990
Deficit			(29,665,927)		(28,365,412)
			7,050,158		11,853,034
		$	7,221,659	$	12,087,780

Events after the reporting period (Note 17)

These consolidated financial statements are authorized for issue by the Board of Directors on June 26, 2019. They are signed on the Company's behalf by:

/s/ Jacques Vaillancourt
Director

/s/ Ken Booth
Director

REDSTAR GOLD CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Presented in Canadian Dollars)

			Years ended March 31		
	Note		2019		2018
Exploration and evaluation					
Resource property expense	9	$	204,300	$	3,470,079
General and administrative					
Depreciation			5,703		10,959
Director fees	14		80,900		64,250
Insurance			26,216		34,723
Investor relations			75,783		224,354
Loss from investment in NV Gold	8		-		91,153
Management fees	14		134,208		323,387
Office operations			25,684		40,381
Professional fees			121,966		85,144
Regulatory fees			14,352		35,039
Rent			4,900		23,375
Share-based payments	13(c)		4,807		321,284
Transfer agent			8,181		10,080
Travel and promotion			24,191		17,584
Loss before the undernoted			731,191		4,751,792
Other (income) expense					
Foreign exchange (gain) loss			(216)		68,361
Interest (income)			(4,666)		(13,155)
Loss on disposal of equipment			6,573		-
Fair value adjustment on marketable securities	7		(69,269)		-
			(67,578)		55,206
Net loss before taxes for the year			663,613		4,806,998
Deferred tax expense (recovery)	16		499,991		(499,991)
Net loss for the year			1,163,604		4,307,007
Other comprehensive income					
Realized (gain) on investment in NV Gold	8		(599,683)		-
Unrealized (gain) loss on investment in NV Gold	8		4,243,762		(3,464,162)
Fair value adjustment on marketable securities	7		-		16,742
Comprehensive loss for the year		$	4,807,683	$	859,587
Basic and diluted loss per share		$	0.00	$	0.01
Weighted average number of common shares outstanding			300,050,293		298,720,704

REDSTAR GOLD CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Presented in Canadian Dollars)

		Share Capital		Reserves					
	Note	Number of shares	Amount	Warrants	Options	Accumulated other comprehensive income (loss)	Subtotal	Deficit	Total Shareholders' Equity
Balance, March 31, 2017		**296,950,293**	**$32,171,664**	**$1,056,181**	**$3,026,268**	**$ 8,629**	**$ 4,091,078**	**$(24,058,405)**	**$ 12,204,337**
Exercise of options	13(b)	3,100,000	187,000	-	-	-	-	-	187,000
Value of options exercised		-	60,792	-	(60,792)	-	(60,792)	-	-
Share-based payments		-	-	-	321,284	-	321,284	-	321,284
Fair value adjustment on marketable securites	7	-	-	-	-	(16,742)	(16,742)	-	(16,742)
Unrealized gain on investment in NV Gold, net of tax recovery	8	-	-	-	-	3,464,162	3,464,162	-	3,464,162
Loss for the year		-	-	-	-	-	-	(4,307,007)	(4,307,007)
Balance, March 31, 2018		**300,050,293**	**32,419,456**	**1,056,181**	**3,286,760**	**3,456,049**	**7,798,990**	**(28,365,412)**	**11,853,034**
Impact of adopting IFRS 9 as of April 1, 2018	3	-		-	-	136,911	136,911	(136,911)	-
Balance, April 1, 2018		**300,050,293**	**32,419,456**	**1,056,181**	**3,286,760**	**3,592,960**	**7,935,901**	**(28,502,323)**	**11,853,034**
Share-based payments	13(c)	-	-	-	4,807	-	4,807	-	4,807
Unrealized loss on investment in NV Gold, net of tax expense	8	-	-	-	-	(4,243,762)	(4,243,762)	-	(4,243,762)
Realized loss on investment in NV Gold	8	-	-	-	-	599,683	599,683	-	599,683
Loss for the year		-	-	-	-	-	-	(1,163,604)	(1,163,604)
Balance, March 31, 2019		**300,050,293**	**$32,419,456**	**$1,056,181**	**$3,291,567**	**$ (51,119)**	**$ 4,296,629**	**$(29,665,927)**	**$ 7,050,158**

REDSTAR GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Presented in Canadian Dollars)

	Years ended March 31	
	2019	**2018**
Cash provided by (used in):		
Operating activities		
Loss for the year	$ (1,163,604)	$ (4,307,007)
Items not affecting cash:		
Depreciation	5,703	10,959
Share-based payments	4,807	321,284
Reclamation bond	(278)	246
Loss from investment in NV Gold	-	91,153
Loss on disposal of equipment	6,573	-
Deferred tax expense (recovery)	499,991	(499,991)
Fair value adjustment on marketable securites	(69,269)	-
Net change in non-cash working capital		
Amounts receivable	13,231	(7,527)
Prepaid amounts and advances	(1,147)	59,515
Accounts payable and accrued liabilities	(43,730)	85,437
Due to related parties	(19,517)	85,357
Short-term investments	-	4,721,996
	(767,240)	561,422
Investing activities		
Acquisition of exploration assets	(31,719)	(31,040)
Proceeds from disposal of equipment	700	-
Investment in marketable securities	(883,844)	-
Proceeds from investment in NV Gold	984,231	-
	69,368	(31,040)
Financing activities		
Shares issued for cash, net	-	187,000
	-	187,000
Change in cash and cash equivalents	(697,872)	717,382
Cash and cash equivalents, beginning of the year	2,132,353	1,414,971
Cash and cash equivalents, end of the year	$ 1,434,481	$ 2,132,353
Schedule of Non-cash Investing and Financing Transactions		
Fair value transfer on exercise of options	$ -	$ 60,792

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Redstar Gold Corp. (the "Company" or "Redstar") is engaged in the acquisition, exploration, and development of mineral properties in North America. The Company is incorporated and domiciled in Canada under the Business Corporations Act (British Columbia), and its registered office is Suite 1710, 1177 West Hastings Street, Vancouver, BC, V6E 2L3. The Company is trading on the Toronto Venture Exchange (TSX-V) under the trading symbol "RGC".

These consolidated financial statements (the "Financial Statements") have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

There are several adverse conditions that may cast significant doubt upon the soundness of this assumption. The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of exploration and evaluation expenditures is dependent upon several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral properties.

Consistent with other companies in the sector of mineral exploration, the Company has incurred operating losses since inception, has limited sources of revenue, is unable to self-finance operations and has significant cash requirements to meet its overhead and maintain its mineral interests.

For the Company to continue to operate as a going concern it must continue to obtain additional financing to maintain operations; although the Company has been successful in the past at raising funds, there can be no assurance that this will continue in the future.

If the going concern assumption were not appropriate for these Financial Statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used and such adjustments could be material.

Rounded to 000's		**March 31, 2019**		**March 31, 2018**
Working capital surplus	$	2,309,000	$	2,002,000
Accumulated (deficit)	$	(29,666,000)	$	(28,365,000)

2. BASIS OF PREPARATION – STATEMENT OF COMPLIANCE

These Financial Statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") and related IFRS Interpretations Committee ("IFRICs") as issued by the International Accounting Standards Board ("IASB"). The Financial Statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of the 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 judgments 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 on-going 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.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of consolidation

These Financial Statements incorporate the financial statements of the Company and the entities controlled by the Company, which consist of:

- Redstar Gold USA Inc. ("Redstar USA"), which was incorporated in the State of Nevada, owned 100% by the Company.
- Redstar Gold (Alaska) Inc. ("Redstar Alaska"), which was incorporated in the State of Alaska, owned 100% by the Company.

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

Non-controlling interest in the net assets of consolidated subsidiaries are identified separately from the Company's equity. Non-controlling interest consists of the non-controlling interest at the date of the original business combination plus the non-controlling interest's share of changes in equity since the date of acquisition.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

b) Foreign currency translation

These Financial Statements are presented in Canadian dollars, which is the functional and presentation currency of the parent. Each entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The parent and its subsidiaries use the Canadian dollar as their functional currency.

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the end of reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through OCI are analyzed between translation differences and other changes in the carrying amount of the security. Translation differences are recognized in the income statement and other changes in carrying amount are recognized in equity.

Translation differences on non-monetary financial assets, such as investments in equity securities, classified as fair value through OCI are reported as part of the fair value gain or loss and are included in equity.

c) Measurement uncertainty

The preparation of these Financial Statements, in conformity with IFRS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period.

The Company bases its estimates and assumptions on current facts, historical experience, and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. These estimates require extensive judgment about the nature, cost and timing of the work to be completed, and may change with future changes to costs, environmental laws and regulations and remediation practices. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected. A summary of critical estimates and judgements can be found in Note 4.

d) Comprehensive loss

Comprehensive loss is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that would not normally be included in net profit such as unrealized gains or losses on fair value through OCI investments, gains or losses on certain derivative instruments and foreign currency gains or losses related to self-sustaining operations. The Company's comprehensive loss, components of other comprehensive loss, and cumulative translation adjustments are presented in the Consolidated Statement of Comprehensive Loss and the Consolidated Statement of Changes in Equity.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

e) Cash

The Company considers cash to include amounts held in banks.

f) Short-term investments

Short term investments consist of term deposits with maturity dates between 90 days and 1 year.

g) Marketable securities

The Company has classified all of its marketable securities as fair value through profit or loss, thus securities are recorded at fair market value and any associated unrealized gain or loss, are included in the net loss in the year in which they arise.

h) Exploration and evaluation assets

The Company is currently in the exploration stage with all of its mineral interests. Exploration and evaluation costs include the costs of acquiring licenses, costs incurred to explore and evaluate properties, and the fair value, upon acquisition, of mineral properties acquired in a business combination.

Exploration and evaluation expenditures are expensed in the period they are incurred except for expenditures associated with the acquisition of exploration and evaluation assets through a business combination or an asset acquisition. Significant property acquisition costs are capitalized only to the extent that such costs can be directly attributed to an area of interest where it is considered likely to be recoverable by future exploitation or sale. Development costs relating to specific properties are capitalized once management has made a development decision.

At each reporting date, the Company determines whether impairment indicators exist based on the Company's ability to raise financing and significant changes in an individual property's work program. The Company examines for indicators of impairment, such as the right or financial ability to perform work on a mineral property, future plans for exploration on a property, and management's intent to advance or not advance a property.

From time to time, the Company may acquire or dispose of mineral interests pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded in the period that the payments are made or received. The Company does not accrue costs to maintain mineral interests in good standing.

<u>Restoration provisions</u>
The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of property, plant 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 is capitalized along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

h) Exploration and evaluation assets *(Continued)*

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements 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 rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, 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.

The costs of rehabilitation projects that were included in the rehabilitation provision are recorded against the provision as incurred. The cost of ongoing current programs to prevent and control pollution is charged against profit and loss as incurred.

The Company has determined that it has no restoration obligation as at March 31, 2019 and 2018.

i) Share-based payments

The Company has a stock option plan that is described in note 13c. Share-based payments to employees are measured at the fair value of the instruments issued and are amortized over the vesting periods using a graded attribution approach. Share-based payments to non-employees are measured at the fair value of the goods or services received or at the fair value of the equity instruments issued (if it is determined the fair value of the goods or services cannot be reliably measured) and are recorded at the date the goods or services are received. If and when the stock options or warrants are ultimately exercised, the applicable amounts of reserves are transferred to share capital.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized during the period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. Forfeitures of stock options are accounted for as incurred.

j) Warrants

Warrants are classified as equity as they are derivatives over the Company's own equity that will be settled only by the Company exchanging a fixed amount of cash for a fixed number of the Company's own equity instruments.

When shares and warrants are issued at the same time, the proceeds are allocated first to warrants issued, according to their fair value using the Black-Scholes pricing model, and the residual value being allocated to shares. The Company does not measure the impact of modification to the terms of warrants previously issued.

k) Share capital

Share capital issued for monetary consideration is recorded at the amount of the proceeds in exchange for the Company's shares at the time of issuance.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

l) Basic loss per share

Basic loss per share is computed using the weighted average number of common shares outstanding during the year. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The effect of potential issuances of shares from the exercise of outstanding options and warrants would be anti-dilutive for the years presented and accordingly, basic and diluted losses per share are the same.

m) Intangible assets

Intangible assets are stated, in the consolidated statements of financial position, at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged so as to write off the cost of the asset using the declining balance method over the estimated useful lives as follows:

Computer software	30%

n) Equipment

Equipment is depreciated using the declining balance method based on estimated useful lives.

Where an item of equipment is comprised of major components with different useful lives, the components are accounted for as separate items of equipment.

Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized. Directly attributable expenses incurred for major capital projects and site preparation are capitalized until the asset is brought to a working condition for its intended use. These costs include dismantling and site restoration costs to the extent these are recognized as a provision.

Financing costs directly associated with the construction or acquisition of qualifying assets are capitalized at interest rates relating to loans specifically raised for that purpose, or at the average borrowing rate where the general pool of group borrowings is utilized. Capitalization of borrowing costs ceases when the asset is substantially complete.

The depreciation method, useful life and residual values are assessed annually.

Subsequent costs

The cost of replacing part of an item within equipment is recognized when the cost is incurred if it is probable that the future economic benefits will flow to the Company and the cost of the item can be measured reliably. All other costs are recognized as an expense as incurred.

Impairment

The Company's tangible and intangible assets are reviewed for an indication of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit ("CGU"), exceeds its recoverable amount. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

n) Equipment *(Continued)*

The recoverable amount is the greater of the asset's fair value less costs 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 current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

Reversal of impairment
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 or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

Depreciation is charged so as to write off the cost of the asset using the declining balance method over the estimated useful lives as follows:

Computer equipment	30%
Office equipment	20%
Vehicles	30%

o) Financial instruments

Adoption of IFRS 9 – Financial Instruments
On April 1, 2018, the Company adopted IFRS 9 in accordance with the transitional provisions of the standard. IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value, replacing the multiple rules in IAS 39, Financial Instruments: Recognition and Measurement. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, the Company made an irrevocable election upon initial recognition for investment in NV Gold existing at April 1, 2018 to satisfy the conditions for classification as fair value through other comprehensive income (""FVOCI"). This election did not result in a change in carrying value of the investment in NV Gold on the transition date.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

o) Financial instruments (*Continued*)

We have assessed the classification and measurement of our financial assets and financial liabilities under IFRS 9 as follows:

	IAS 39	**IFRS 9**
Financial Assets		
Cash and cash equivalents	Amortized cost	Amortized cost
Short-term investments	Amortized cost	Amortized cost
Marketable securities	Available-for-sale	Fair value through profit or loss
Reclamation bond	Amortized cost	Amortized cost
Investment in NV Gold	Available-for-sale	Fair value through OCI
Financial Liabilities		
Accounts payable and accrued Liabilities	Amortized cost	Amortized cost
Due to related parties	Amortized cost	Amortized cost

The change in classification of the marketable securities resulted in the fair value adjustment being recognized through profit or loss. At transition, the Company reclassified $136,911 of fair value adjustment loss recognized in prior years on marketable securities held by the Company as at April 1, 2018 from accumulated other comprehensive loss to deficit on April 1, 2018.

The classification of financial assets is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset. Transaction costs with respect to financial instruments classified as fair value through other comprehensive income are recognized as an adjustment to the cost of the underlying instruments.

Disclosure and presentation

The Company follows IFRS 7 Financial Instruments – disclosures, which requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the reporting date, and how the entity manages such risks. The quantitative disclosures provide information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel. Together, these disclosures provide an overview of the entity's use of financial instruments and the exposures to risks they create.

This IFRS disclosure also requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The accounting standard establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company discloses additional disclosures for this standard in Note 5.

The Company also follows IAS 32, Financial Instruments – Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

p) Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

q) Impairment

Non-monetary assets are tested for impairment when events or changes in circumstance indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

r) Equity investments

The Company holds equity investments in associates. An associate is an entity over which the Company has significant influence and is neither a controlled subsidiary nor a jointly controlled entity. The Company has significant influence when it has the power to participate in the financial and operating policy decisions of the associate but does not have control or joint control over those policies.

The Company accounts for equity investments using the equity method. Under the equity method, the Company's investment in an associate is initially recognized at cost and is subsequently increased or decreased to recognize the Company's share of earnings or losses of the associate, and for impairment losses after the initial recognition date. The Company's share of an associate's losses that are in excess of its investment in the associate are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. The Company's share of earnings or losses of associates are recognized through net income or loss during the year. Cash distributions received from an associate are accounted for as a reduction in the carrying amount of the Company's investment in the associate.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

r) Equity investments *(Continued)*

At the end of each reporting period, the Company assesses whether there is any objective evidence that an investment in an associate is impaired. Objective evidence includes observable data indicating that there is a measurable decrease in the estimated future cash flows of the associate's operations. When there is objective evidence that an investment in an associate is impaired, the carrying amount of such investment is compared to its recoverable amount, being the greater of its fair value less costs to sell and value in use (i.e. present value of its future cash flows). If the recoverable amount of an investment in an associate is less than its carrying amount, then an impairment loss is recognized in that period. When an impairment loss reverses in a subsequent period, the carrying amount of the investment in an associate is increased to the revised estimate of the recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized through net income or loss in the period in which the reversal occurs.

The Company had an equity investment in NV Gold Corporation ("NV Gold") from September 29, 2016 to June 30, 2017. NV Gold has an August 31 year end, which differs from the year end of the Company. For the purpose of applying the equity method of accounting, the Company used the fiscal 9 months ended May 31, 2017 financial statements of NV Gold adjusting for any significant events between May 31, 2017 and the Company's period end. Effective July 5, 2017, the Company accounted for its investment in NV Gold by using the fair value of the NV Gold shares as the Company determined that it no longer had significant influence over NV Gold. The Company remeasures the investment in NV Gold to fair value at each financial statement reporting date and any gains or losses arising from changes in fair value is recognized in other comprehensive income (loss).

The financial statements of NV Gold are consistent with the Company's accounting policies.

s) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by the former owners and operators of its properties and properties in which it has previously had an interest.

The Company conducts its mineral exploration activities in accordance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in a material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the resource properties, the potential of production on the properties may be diminished or negated.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

t) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the Consolidated Statements of Comprehensive Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

u) Recent accounting pronouncements

There were no new accounting standards adopted in the current year that had a material impact of the consolidated financial statements. The following new standards and amendments to standards have been issued but are not effective during the year ended March 31, 2019:

- IFRS 16 Leases is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The Standard is effective for accounting periods beginning on or after January 1, 2019. Early adoption is permitted. The Company does not have leases that will be recognized on its Consolidated Statements of Financial Position at March 31, 2020. The impact of IFRS 16 on its opening Consolidated Statements of Financial Position at March 31, 2020 is expected to be immaterial.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the application of the Company's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amount and classification of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The following are the critical judgments and areas involving estimates, that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognized in the Financial Statements.

a) Key sources of estimation uncertainty

<u>Share-based payments</u>
Management assesses the fair value of stock options granted in accordance with the accounting policy stated in note 3. The fair value of stock options granted is measured using the Black-Scholes option pricing model, which was created for use in estimating the fair value of freely tradable, fully transferable options. The Company's stock options have characteristics significantly different from those of traded options, and changes in the highly subjective input assumptions can materially affect the calculated values. The fair value of stock options granted using the Black-Scholes option pricing model do not necessarily provide a reliable measure of the fair value of the Company's stock option awards.

<u>Impairment</u>
Judgment is involved in assessing whether there is any indication that an asset may be impaired. This assessment is made based on the analysis of, amongst other factors, changes in the market or business environment, events that have transpired that have impacted the asset, and information from internal reporting.

<u>Income taxes</u>
Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

<u>Decommissioning provision</u>
The value of decommissioning liabilities depends on estimates of current risk-free interest rates, future restoration and reclamation expenditures and the timing of those expenditures.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(Continued)*

b) Key sources of judgment uncertainty

Estimated Useful Lives and Depreciation of Equipment and Intangible asset
Depreciation of equipment and intangible asset is dependent upon estimates of useful lives based on management's judgment.

Determination of functional currency
In accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates, management determined that the functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar.

Going concern evaluation
As discussed on note 1, these Financial Statements have been prepared under the assumptions applicable to a going concern. If the going concern assumption were not appropriate for these Consolidated Financial Statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used and such adjustments could be material.

The Company reviews the going concern assessment at the end of each reporting period. There were no material changes to the assessment as at March 31, 2019.

Exploration and evaluation assets
The carrying value of the Company's exploration and evaluation assets is reviewed by management quarterly, or whenever events or circumstances indicate that its carrying amount may not be recovered. Management considers certain impairment indicators such as (but not limited to) market capitalization of the Company, metal price changes, plans for the properties and the results of exploration to date.

Investment in NV Gold
With the continued dilution of the Company's investment in NV Gold, management continues to monitor its percentage interest and other quality factors such as representation on the board of directors and determines that its ability to exercise significant influence over the investment in NV Gold has reduced and concluded that it does not have significant influence effective July 5, 2017.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Financial instrument classification and measurement

Financial instruments of the Company carried on the Consolidated Statements of Financial Position are carried at amortized cost with the exception of marketable securities and investment in NV Gold, which are carried at fair value.

The fair value of the Company's marketable securities and investment in NV Gold are quoted in active markets. The Company classifies the fair value of these transactions according to the following hierarchy.

- Level 1 – quoted prices in active markets for identical financial instruments.
- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Continued)*

a) Financial instrument classification and measurement *(Continued)*

The Company's marketable securities and investment in NV Gold have been assessed on the fair value hierarchy described above and classified as Level 1 and Level 2.

b) Fair values of financial assets and liabilities

The Company's financial instruments include cash and cash equivalents, short-term investments, marketable securities, reclamation bond, investment in NV Gold, accounts payable and accrued liabilities, and due to related parties. As at March 31, 2019 and March 31, 2018, the carrying value of cash and cash equivalents approximates fair value due to its short-term nature. Marketable securities and investment in NV Gold are marked to fair value at each financial statement reporting date. Reclamation bond, accounts payable and accrued liabilities, and due to related parties approximate their fair value due to their short-term nature.

c) Market risk

Market risk is the risk that changes in market prices will affect the Company's earnings or the value of its financial instruments. Market risk is comprised of commodity price risk and interest rate risk. The objective of market risk management is to manage and control exposures within acceptable limits, while maximizing returns. The Company is not exposed to significant market risk.

d) 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 bank accounts. The Company's bank accounts are held with major banks in Canada and the United States; accordingly, the Company believes it not exposed to significant credit risk.

e) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company is not exposed to significant interest rate risk.

f) Currency risk

The Company's main property interest in Alaska, USA makes it subject to foreign currency fluctuations which may adversely affect the Company's Consolidated Statements of Financial Position, Consolidated Statements of Comprehensive Loss and Consolidated Statements of Cash Flows. The Company is affected by changes in exchange rates between the Canadian Dollar and the US Dollar. The Company does not invest in foreign currency contracts to mitigate the risks. The Company has net monetary assets of approximately $68,000 dominated in US dollars. A 1% change in the absolute rate of exchange in US dollars would affect its net loss by approximately $2,200.

g) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. As at March 31, 2019, the Company had a cash balance of $1,434,481 to settle current liabilities of $171,501.

6. SHORT-TERM INVESTMENTS

As at March 31, 2019, the Company pledged $5,750 (March 31, 2018 - $5,750) as collateral for a credit card.

7. MARKETABLE SECURITIES

March 31, 2019		Shares	Cost	Fair value adjustment on marketable securities	Total
New Tech Minerals Corp.	(ii)	11,443	$ 5,722	$ (5,493)	$ 229
Brocade Metals Corp.		320,000	4	(4)	-
Confederation Minerals Ltd.		65,000	56,250	(44,550)	11,700
Fremont Gold Ltd.	(i)	4,166	30,000	(29,479)	521
True Grit Resources Ltd.		540,000	90,526	(82,426)	8,100
Sprott Phys Gold&Svl		32,500	500,625	40,825	541,450
Ishares Silver Trust	(iii)	22,000	383,219	33,359	416,578
			$1,066,346	$ (87,768)	$ 978,578

March 31, 2018		Shares	Cost	Fair value adjustment on marketable securities	Total
New Tech Lithium Corp.	(ii)	11,443	$ 5,722	$ (4,978)	$ 744
Brocade Metals Corp.		320,000	4	(4)	-
Confederation Minerals Ltd.		65,000	56,250	(33,175)	23,075
Fremont Gold Ltd.	(i)	4,166	30,000	(29,354)	646
True Grit Resources Ltd.		20,000	70,400	(69,400)	1,000
			$ 162,376	$ (136,911)	$ 25,465

(i) Formerly, Palisades Ventures Inc (post 4:3 share consolidation)
(ii) American Potash Corp. was changed name to "New Tech Lithium Corp." on January 22, 2018 and changed to "New Tech Minerals Corp." on March 7, 2019
(iii) Ishares Silver Trust is traded in US dollars

During the year ended March 31, 2019, the Company recorded fair value adjustment on marketable securities of $(69,269) which was recorded in other (income) expense account (2018 - $16,742, which was recorded in other comprehensive income).

8. INVESTMENT IN NV GOLD CORPORATION

Under the equity method of accounting, the investment in NV Gold was initially recognized at cost and adjusted thereafter for the post-acquisition change in the net assets. The Company was not exposed to any additional losses beyond its initial investment amount. No dividends or cash distributions were received by the Company from NV Gold during the period.

March 31, 2017	$	1,991,095
Proportionate share of net loss		(91,153)
June 30, 2017	$	1,899,942

The Company recorded an equity loss of $91,153 for the three months ended June 30, 2017 which represented the proportionate share of NV Gold's net loss for the three months ended May 31, 2017 and additional adjustments due to the difference in reporting dates between the Company and NV Gold. Since NV Gold has an August fiscal year end, it was impractical to prepare financial statements to June 30, 2017.

The following is a summary of the consolidated financial information of NV Gold on a 100% basis as at and for the nine months ended May 31, 2017, which is the most recent publicly available information for NV Gold. These amounts are presented in Canadian dollars.

NV Gold Corporation		May 31, 2017
Total current assets	$	1,043,785
Total non-current assets		3,010,374
Total current liabilities		(36,548)
Total non-current liabilities		-
Loss before other items		848,797
Other items		2,516
Total loss and comprehensive loss		851,313

Effective July 5, 2017, the Company accounted for its investment in NV Gold by using the fair value of the NV Gold shares as the Company determined that it no longer had significant influence over NV Gold. The Company remeasures the investment in NV Gold to fair value at each financial statement reporting date and any gains or losses arising from changes in fair value is recognized in other comprehensive income (loss). In April 2018, the Company sold 1,098,300 shares of NV Gold for proceeds of $984,231 with a realized gain of $599,683. As at March 31, 2019, the investment in NV Gold consisted of 5,074,430 NV Gold shares with a fair value of $735,792 (March 31, 2018 – 6,172,730 NV Gold shares with a fair value of $5,864,093) and the Company recognized an unrealized loss of $4,243,762 during the current year (2018 – unrealized gain of $3,464,162), which was recorded in the accumulated other comprehensive income account.

The closing share price of the remaining 5,074,430 shares (March 31, 2018 – 6,172,730) held in NV Gold was $0.145 at March 31, 2019 (March 31, 2018 - $0.95).

(Presented in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS

The Company has the following interests in mineral properties as at March 31, 2019 and 2018:

Property acquisition costs	March 31, 2017	Acquisition costs	March 31, 2018	Acquisition costs	March 31, 2019
Alaska					
Unga project	$3,920,544	$ 31,040	$ 3,951,584	$ 31,719	$ 3,983,303

The Company incurred the following exploration expenditures during the years ended March 31, 2019 and 2018:

Exploration expenditures	Alaska Unga
Assaying	$ 8,978
Camp	44,266
Fuel & transportation	594
Geological	123,384
Maps and reports	2,373
Transportation and surface access	23,923
Travel and accommodation	782
Year ended March 31, 2019	**$ 204,300**

Exploration expenditures	Alaska Unga
Assaying	$ 223,255
Camp	757,912
Drilling	939,147
Consulting	10,725
Equipment rental	8,537
Fuel & transportation	327,477
Geological	546,964
Geophysical	85,048
Helicopter	481,581
Maps and reports	6,402
Supplies and materials	17,705
Transportation and surface access	38,583
Travel and accommodation	26,743
Year ended March 31, 2018	**$ 3,470,079**

(Presented in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS *(Continued)*

(a) Unga Project, Alaska, USA

The Unga Project is approximately 250 sq. kms and is comprised of patented and Alaska State claims and Alaskan Native Corporation lands. The Company owns 100% of the patented claims and the state claims in the Unga Project.

On February 18, 2014, the Company signed a Letter of Intent ("LOI") with Full Metal Minerals Ltd ("FMM"), to take an assignment of FMM's interest in its agreement with The Aleut Corporation ("TAC") and to acquire a 100% interest in six Alaskan State Mineral claims. Under the terms of the LOI, the Company could acquire a 100% undivided interest in the property, upon issuance of 4,000,000 shares and payment of a total of US$50,000 (US$10,000 paid) to FMM, subject to regulatory approval, completion of a definitive agreement including the consent of TAC to the assignment, and satisfying the Underlying Agreements. The LOI superseded all other agreements with FMM in respect of the TAC lands and the state claims.

On September 8, 2014, the Company announced that, together with FMM and TAC it signed an Assignment and Novation Agreement in respect to the TAC lands, which replaced the LOI signed on February 18, 2014, whereby all rights and interests held previously by FMM were assigned to Redstar. Pursuant to the Agreement, Redstar is required to complete the following:

	Cash (CAD$)	Cash (US$)	Shares issued to Full Metal	Exploration Expenditure on the Property (US$)
On signing of the agreement	$ 125,000(i)	50,000(i)	750,000(i)	$ -
January 1, 2015	-	55,000(i)	-	400,000(ii)
January 1, 2016	-	60,000(i)	-	500,000(ii)
January 1, 2017	-	60,000(i)	-	500,000(ii)
January 1, 2018	-	-	-	1,000,000(ii)
January 1, 2019	-	-	-	1,000,000(ii)
	$ 125,000	225,000	750,000	$ 3,400,000

(i) Paid or issued
(ii) Incurred

(b) Other, USA

As at March 31, 2019, the Company had a reclamation bond of US$5,927 ($7,921) (March 31, 2018 – US$5,927 ($7,643)) related to a property in Nevada that was sold to NV Gold.

(Presented in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS *(Continued)*

(c) Newman Todd Property, Red Lake District, Ontario, Canada

In 2007, the Company acquired a 100% interest in the Newman Todd area properties ("Todd Properties") (comprised of several properties) by issuing 700,000 common shares to the vendor. The mineral claims are subject to a 1% net smelter return ("NSR") royalty provided that the total NSR royalties payable on any claims within the property does not exceed 2.75%. Should a mine be placed into production, the Company is required to issue common shares with a value in the aggregate of $1,000,000. Should production exceed 250,000 ounces of gold, the Company is required to issue additional common shares with a value of $1,000,000.

On November 19, 2010, the Company entered into an option agreement with Confederation Minerals Ltd. ("Confederation") whereby Confederation could earn up to a 70% undivided interest in the Company's 100% owned Todd Properties in Red Lake, Ontario by making certain cash payments and share issuances to the Company. On March 24, 2015, Confederation fulfilled the requirements for its 70% earn in on the Todd Properties.

10. INTANGIBLE ASSETS

		Computer software
Cost		
Balance - April 1, 2017	$	10,986
Additions		-
Balance - March 31, 2018		10,986
Additions		-
Balance - March 31, 2019	$	10,986
Accumulated depreciation		
Balance - April 1, 2017	$	5,909
Depreciation		1,523
Balance - March 31, 2018		7,432
Depreciation		1,066
Balance - March 31, 2019	$	8,498
Carrying amounts		
As at March 31, 2018	$	3,554
As at March 31, 2019	$	2,488

(Presented in Canadian Dollars)

11. EQUIPMENT

	Computers	Equipment	Vehicles	Total
Cost				
Balance - April 1, 2017	$ 77,911	$ 34,226	$ 51,497	$ 163,634
Additions	-	-	-	-
Balance - March 31, 2018	77,911	34,226	51,497	163,634
Additions	-	-	-	-
Disposals	(77,911)	(30,026)	-	(107,937)
Balance - March 31, 2019	$ -	$ 4,200	$ 51,497	$ 55,697
Accumulated depreciation				
Balance - April 1, 2017	$ 74,114	$ 24,468	$ 31,826	$ 130,408
Depreciation	1,139	1,952	6,345	9,436
Balance - March 31, 2018	75,253	26,420	38,171	139,844
Depreciation	-	638	3,999	4,637
Depreciation on Disposals	(75,253)	(25,413)	-	(100,666)
Balance - March 31, 2019	$ -	$ 1,645	$ 42,170	$ 43,815
Carrying amounts				
As at March 31, 2018	$ 2,658	$ 7,806	$ 13,326	$ 23,790
As at March 31, 2019	$ -	$ 2,555	$ 9,327	$ 11,882

12. CAPITAL MANAGEMENT

The Company's capital consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing, selling assets, and incurring debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

13. SHARE CAPITAL

(a) Authorized:

At March 31, 2019, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances:

During the year ended March 31, 2018, 3,100,000 options were exercised for total proceeds of $187,000.

(Presented in Canadian Dollars)

13. SHARE CAPITAL *(Continued)*

(c) Share Purchase Option Compensation Plan:

The Company has established a stock option plan whereby the Company may grant options to directors, officers, employees and consultants of up to 10% of the common shares outstanding at the time of grant. The exercise price, term and vesting period of each option are determined by the board of directors within regulatory guidelines.

Stock option transactions and the number of stock options for the year ended March 31, 2019 are summarized as follows:

Expiry date	Exercise price	March 31, 2018	Granted	Exercised	Expired / Cancelled	March 31, 2019
September 30, 2018	$ 0.10	540,000	-	-	(540,000)	-
April 30, 2019[(i)]	$ 0.06	450,000	-	-	-	450,000
September 10, 2019	$ 0.06	600,000	-	-	(600,000)	-
October 29, 2019	$ 0.06	400,000	-	-	-	400,000
May 4, 2020	$ 0.06	1,400,000	-	-	(100,000)	1,300,000
January 25, 2021	$ 0.05	2,500,000	-	-	(2,500,000)	-
March 2, 2021	$ 0.05	4,000,000	-	-	(700,000)	3,300,000
December 20, 2021	$ 0.16	3,000,000	-	-	(2,500,000)	500,000
April 11, 2022	$ 0.14	2,900,000	-	-	(850,000)	2,050,000
March 15, 2024	$ 0.05	-	2,500,000	-	-	2,500,000
Options outstanding		15,790,000	2,500,000	-	(7,790,000)	10,500,000
Options exercisable		15,790,000	-	-	-	8,000,000
Weighted average exercise price		$ 0.09	$ 0.05	$ -	$ 0.10	$ 0.07

(i) These options expired unexercised on April 30, 2019.

As of March 31, 2019, the weighted average contractual remaining life is 2.67 years (March 31, 2018 – 2.98 years).

(Presented in Canadian Dollars)

13. SHARE CAPITAL *(Continued)*

(c) Share Purchase Option Compensation Plan *(Continued)*:

Stock option transactions and the number of stock options for the year ended March 31, 2018 are summarized as follows:

Expiry date	Exercise price	March 31, 2017	Granted	Exercised	Expired / Cancelled	March 31, 2018
May 4, 2017	$ 0.09	500,000		(500,000)	-	-
May 18, 2017	$ 0.29	200,000		-	(200,000)	-
July 26, 2017	$ 0.20	400,000		-	(400,000)	-
March 2, 2018	$ 0.05	200,000		(200,000)	-	-
September 30, 2018	$ 0.10	540,000		-	-	540,000
April 30, 2019	$ 0.06	450,000		-	-	450,000
September 10, 2019	$ 0.06	1,000,000		(400,000)	-	600,000
October 29, 2019	$ 0.06	400,000		-	-	400,000
May 4, 2020	$ 0.06	2,200,000		(800,000)	-	1,400,000
January 25, 2021	$ 0.05	2,500,000		-	-	2,500,000
March 2, 2021	$ 0.05	5,200,000		(1,200,000)	-	4,000,000
December 20, 2021	$ 0.16	3,000,000		-	-	3,000,000
April 11, 2022	$ 0.14	-	3,100,000	-	(200,000)	2,900,000
Options outstanding		16,590,000	3,100,000	(3,100,000)	(800,000)	15,790,000
Options exercisable		16,590,000	-	-	-	15,790,000
Weighted average exercise price		$ 0.08	$ 0.14	$ 0.06	$ 0.21	$ 0.09

The fair value of options granted during the year ended March 31, 2019 were $53,000 (2018 - $321,284). In connection with the stock option granted the Company recorded a share-based compensation expense of $4,807 during the year ended March 31, 2019 (2018 – $321,284).

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions:

	March 31, 2019	March 31, 2018
Expected dividend yield	Nil	0.00%
Expected stock price volatility	141.91%	135.53%
Risk-free interest rate	1.34%	1.08%
Forfeiture rate	0.00%	0.00%
Expected life of options	5.0 year	5.0 years

The Black-Scholes Option Pricing Model was created for use in estimating the fair value of freely tradable, fully transferable options. The Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the highly subjective input assumptions can materially affect the calculated values, management believes that the accepted Black-Scholes model does not necessarily provide a reliable measure of the fair value of the Company's stock option awards.

(Presented in Canadian Dollars)

13. SHARE CAPITAL *(Continued)*

(d) Warrants:

The continuity of warrants for the year ended March 31, 2019 is as follows:

Expiry date	Exercise price	March 31, 2018	Issued	Exercised	Expired	March 31, 2019
September 13, 2018	$ 0.20	480,000	-	-	(480,000)	-
April 29, 2019[(i)]	$ 0.14	19,085,200	-	-	-	19,085,200
Outstanding		19,565,200	-	-	(480,000)	19,085,200
Weighted average exercise price		$ 0.14	$ -	$ -	$ 0.20	$ 0.14

(i)These warrants expired unexercised on April 29, 2019.

The continuity of warrants for the year ended March 31, 2018 is as follows:

Expiry date	Exercise price	March 31, 2017	Issued	Exercised	Expired	March 31, 2018
September 13, 2018	$ 0.20	480,000	-	-		480,000
April 29, 2019	$ 0.14	19,085,200	-	-	-	19,085,200
Outstanding		19,565,200	-	-	-	19,565,200
Weighted average exercise price		$ 0.14	$ -	$ -	$ -	$ 0.14

As of March 31, 2019, the weighted average contractual life is 0.08 years (March 31, 2018 – 1.06 years).

14. RELATED PARTY TRANSACTIONS

Name and principal position	Fiscal period	Remuneration or fees (i)	Share-based compensation	Amounts payable
Ariston Capital Corp., a company controlled by the former CEO (ii) - management fees	2019	$ -	$ -	$ -
	2018	$ 198,387	$ 51,820	$ 22,332
Verde Metals Ltd., a company controlled by the President (iv) - management fees	2019	$ 7,708	$ 4,807	$ 13,600
	2018	$ -	$ -	$ -
Director and Chairman of the Board - management fees	2019	$ 65,000	$ -	$ 26,775
	2018	$ 65,000	$ 77,730	$ 43,525
Pacific Opportunity Capital Ltd., a company controlled by the CFO - accounting fees	2019	$ 61,500	$ -	$ 5,891
	2018	$ 60,000	$ 41,456	$ 10,500
Directors' fees (iii)	2019	$ 80,900	$ -	$ 19,574
	2018	$ 64,250	$ 82,912	$ 9,000
Total	2019	$ 215,108	$ 4,807	$ 65,840
	2018	$ 387,637	$ 253,918	$ 85,357

(i) Remuneration or fees were paid or accrued to the related party.

(ii) Effective March 7, 2018, Peter Ball resigned from being the CEO but remained as a director of the Company and Jacques Vaillancourt, the Chairman of the Company, was appointed as the interim CEO.

(iii) Effective June 6, 2018, Peter Ball resigned from being a director of the Company and Susan J. Mitchell was appointed as a director.

(iv) Effective March 15, 2019, John Gray was appointed as the President and a director.

The above transactions are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to related parties are unsecured, non-interest bearing and have no fixed term of repayment.

15. SEGMENTED DISCLOSURE

The Company has one reportable segment being the exploration and evaluation of mineral properties. The Company's assets and liabilities are held within Canada and the US as follows:

Rounded to 000's	**Canada**	**United States**	**Total**
March 31, 2019			
Current assets	$ 2,389,000	$ 91,000	$ 2,480,000
Non-current assets			
Investment in NV Gold	736,000	-	736,000
Reclamation bond	-	8,000	8,000
Exploration and evaluation assets	-	3,983,000	3,983,000
Intangible assets	2,000	-	2,000
Equipment	-	12,000	12,000
Current liabilities	$ 149,000	$ 23,000	$ 172,000
March 31, 2018			
Current assets	$ 2,155,000	$ 82,000	$ 2,237,000
Non-current assets			
Investment in NV Gold	5,864,000	-	5,864,000
Reclamation bond	-	8,000	8,000
Exploration and evaluation assets	-	3,952,000	3,952,000
Intangible assets	4,000	-	4,000
Equipment	7,000	17,000	24,000
Current liabilities	$ 136,000	$ 99,000	$ 235,000

15. SEGMENTED DISCLOSURE *(Continued)*

The Company's comprehensive loss within Canada and the US is as follows:

Rounded to 000's	Canada	United States	Total
Year end March 31, 2019			
Exploration and evaluation	$ -	$ 204,000	$ 204,000
General and administrative	513,000	14,000	527,000
Other (income) expense	(64,000)	(3,000)	(67,000)
Net loss before taxes for the year	449,000	215,000	664,000
Net loss for the year	949,000	215,000	1,164,000
Comprehensive loss for the year	$ 4,593,000	$ 215,000	$ 4,808,000
Year end March 31, 2018			
Exploration and evaluation	$ -	$ 3,470,000	$ 3,470,000
General and administrative	1,259,000	23000	1,282,000
Other (income) expense	494,000	(439,000)	55,000
Net loss before taxes for the year	1,753,000	3,054,000	4,807,000
Net loss for the year	1,253,000	3,054,000	4,307,000
Comprehensive loss for the year	$ (2,194,000)	$ 3,054,000	$ 860,000

16. INCOME TAXES

The following table reconciles the expected income taxes (recovery) at the Canadian statutory income tax rates to the amounts recognized in the consolidated statements of comprehensive loss for the years ended March 31, 2019 and 2018:

	March 31, 2019	March 31, 2018
Net Loss before taxes	$ (663,613)	$ (4,806,998)
Statutory tax rates	27.00%	26.25%
Expected income tax (recovery)	(179,176)	(1,261,837)
Non-deductible items	(81,629)	3,861
Functional currency adjustments	(151,431)	23,258
Foreign tax rate difference	(2,900)	(270,750)
Change in deferred tax asset not recognized	915,127	1,005,477
Total income tax (recovery)	$ 499,991	$ (499,991)
Current tax expense (recovery)	-	-
Deferred tax expense (recovery)	499,991	(499,991)
	499,991	(499,991)

The statutory rate increased from 26.25% to 27% due to an increase in the British Columbia tax rate on January 1, 2018.

Deferred tax assets (liabilities) at March 31, 2019 and 2018 are as follows:

(Presented in Canadian Dollars)

16. INCOME TAXES *(Continued)*

	March 31, 2019	March 31, 2018
Property and equipment	$ (1,297)	$ -
Net operating losses	1,297	-
Investment in NV Gold	-	(499,991)
Non-capital losses	-	499,991
Total deferred tax assets (liabilities)	$ -	$ -

The unrecognized deductible temporary differences at March 31, 2019 and 2018 are as follows:

	March 31, 2019	March 31, 2018
Canada:		
Property and equipment	$ 36,033	$ 26,398
Exploration and evaluation assets	5,056,542	4,360,864
Investment in NV Gold	1,040,259	-
Financial instruments	67,641	136,910
Investment credits	143,972	143,972
Non-capital loss carryforwards	10,327,084	7,801,673
Unrealized foreign exchange loss	182,766	507,643
Financing costs	90,704	155,066
Total unrecognized deductible temporary differences	$ 16,945,001	$ 13,132,526

	March 31, 2019	March 31, 2018
USA:		
Exploration and evaluation assets	$ 6,633,907	$ 6,721,263
Property and equipment	-	3,165
Net operating losses	15,664,196	14,700,513
Total unrecognized deductible temporary differences	$ 22,298,103	$ 21,424,941

The Company has Canadian non-capital loss carry forwards of approximately $10,327,084 (March 31, 2018 – $7,801,673) which may be carried forward to apply against future year income tax for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

(Presented in Canadian Dollars)

16. INCOME TAXES *(Continued)*

Year of expiry	
2026	$ 362,138
2027	354,237
2028	675,557
2029	447,735
2030	113,279
2031	219,706
2032	730,366
2033	918,870
2034	1,019,524
2035	957,897
2036	1,318,413
2037	1,434,099
2038	1,565,166
2039	210,097
	$ 10,327,084

The Company has net operating loss carry forwards of approximately $15,664,196 (2018 - $14,700,513) which may be carried forward to apply against future year income tax for US tax purposes.

Year of expiry	
2029	$ 141,238
2030	627,771
2031	1,126,985
2032	1,351,518
2033	1,436,238
2034	2,940,795
2035	1,079,840
2036	1,148,416
2037	4,047,697
No expiry	1,763,698
	$ 15,664,196

17. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the year ended March 31, 2019, 19,085,200 warrants expired unexercised on April 29, 2019 and 450,000 options expired unexercised on April 30, 2019.