

JOURDAN RESOURCES INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(Expressed in Canadian Dollars)

JOURDAN RESOURCES INC.

December 31, 2017 and 2016

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JOURDAN RESOURCES INC.

December 31, 2017 and 2016

To the Shareholders of Jourdan Resources Inc.

We have audited the accompanying financial statement of Jourdan Resources Inc., which comprise the statements of financial position as at December 31, 2017 and December 31, 2016 and the statements of comprehensive loss, changes in equity, and cash flows for the years ended December 31, 2017 and December 31, 2016, and a summary of significant accounting policies and other explanatory information.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the financial statements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of Jourdan Resources Inc. as at December 31, 2017 and December 31, 2016 and its financial performance and its cash flows for the years ended December 31, 2017 and December 31, 2016 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw your attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$1,241,586 during the year ended December 31, 2017 and, as of that date, the Company's accumulated deficit was \$18,467,232 and the Company's current liabilities exceeded its current assets by \$637,109. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

GRAM LLP

Gram LLP
Chartered Accountants, Chartered Professional Accountants, Licensed Public Accountants
May 1, 2018
Toronto, ON

JOURDAN RESOURCES INC.

December 31, 2017 and 2016

JOURDAN RESOURCES INC.**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

As at December 31, 2017, and 2016

	December 31, 2017	December 31, 2016
ASSETS		
Current		
Cash	93,228	67,296
Taxes and other receivable (note 3)	117,871	37,261
Marketable securities (note 4)	4,500	67,500
	<u>215,599</u>	<u>172,057</u>
Non-current		
Exploration and evaluation assets (note 5)	<u>1,759,928</u>	<u>897,928</u>
Total assets	<u><u>1,975,527</u></u>	<u><u>1,069,985</u></u>
LIABILITIES		
Current		
Trade and other payables (note 6)	419,363	571,680
Due to a related company	-	64,630
Other liabilities	433,345	490,623
Total liabilities	<u>852,708</u>	<u>1,126,933</u>
EQUITY		
Share capital	16,846,262	14,864,690
Warrants	258,950	-
Contributed surplus	2,484,839	2,304,008
Deficit	<u>(18,467,232)</u>	<u>(17,225,646)</u>
Total Equity	<u>1,122,819</u>	<u>(56,948)</u>
Total liabilities and equity	<u><u>1,975,527</u></u>	<u><u>1,069,985</u></u>
<i>(Signed) Michael Dehn</i> Michael Dehn Chief Executive Officer	<i>(Signed) John Ryan</i> John Ryan CFO	

JOURDAN RESOURCES INC.
December 31, 2017 and 2016

JOURDAN RESOURCES INC.
STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
For the years ended December 31, 2017 and 2016

	December 31, 2017	December 31, 2016
EXPENSES		
Professional fees	465,402	74,833
Exploration and evaluation expenses	385,583	-
Share-based payments	180,831	-
Management fees	144,000	86,000
Listing and filing fees	23,274	-
Rent	22,200	22,200
Office expenses	7,200	-
Trustees, registration fees and shareholders relations	6,601	6,150
Interest and bank charges	5,392	2,416
Loss on sale of marketable securities	-	144,000
Impairment of exploration and evaluation assets (note 6)	-	92,100
Consulting fees	-	3,744
Other Gain	(61,897)	-
Gain on sale of exploration and evaluations assets	-	(156,818)
NET INCOME (LOSS)	(1,178,586)	(274,625)
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAXES		
Net change in fair value of marketable securities	(63,000)	50,000
TOTAL COMPREHENSIVE INCOME (LOSS)	(1,241,586)	(224,625)
INCOME (LOSS) PER SHARE		
Basic and diluted loss per share	(0.049)	(0.029)

(Signed) Michael Dehn
Michael Dehn
Chief Executive Officer

(Signed) John Ryan
John Ryan
CFO

JOURDAN RESOURCES INC.
December 31, 2017 and 2016

JOURDAN RESOURCES INC.

STATEMENTS OF CASH FLOW

For the years ended December 31, 2017 and 2016

	December 31, 2017	December 31, 2016
	<u> </u>	<u> </u>
OPERATING ACTIVITIES		
Income (Loss) before income taxes	(1,178,586)	(274,625)
Adjustments for:		
Impairment of exploration and evaluation assets	-	92,100
Changes in working capital items	(354,835)	65,690
	<u> </u>	<u> </u>
Cash flows fom operating activities	<u>(1,533,421)</u>	<u>(116,835)</u>
INVESTING ACTIVITIES		
Additions (deductions) to exploration and evaluation assets	(862,000)	-
Proceeds on disposal of exploration and evaluation assets	-	179,183
	<u> </u>	<u> </u>
Cash flows from investing activities	<u>(862,000)</u>	<u>179,183</u>
FINANCING ACTIVITIES		
Issuance of Common Stock (net of finders fees)	1,981,572	-
Issuance of Warrants	258,950	-
Issuance of Stock Options	180,831	-
	<u> </u>	<u> </u>
Cash flows from financing activities	<u>2,421,353</u>	<u>-</u>
Net change in cash during the year	25,932	62,348
Cash, beginning of the year	67,296	4,948
	<u> </u>	<u> </u>
Cash, end of the year	<u>93,228</u>	<u>67,296</u>

JOURDAN RESOURCES INC.
December 31, 2017 and 2016

JOURDAN RESOURCES INC.
Statement of Change in Equity
December 31, 2017 and December 31, 2016

	Number of Shares	Share Capital \$	Warrants \$	Contributed Surplus \$	Deficit \$	Total Equity \$
Balance, January 1, 2017	7,742,581	15,012,702	-	2,304,008	(17,373,658)	(56,948)
Shares issued from private placement April 2017	16,100,000	1,207,500	-	-	-	1,207,500
Private placement - share issue costs	-	(68,504)	-	-	-	(68,504)
Black scholes from private placement	-	(233,450)	233,450	-	-	-
Black scholes from private placement finder's fee	-	(25,500)	25,500	-	-	-
Shares issued to acquire properties	5,700,000	662,000	-	-	-	662,000
Shares issued for debt	5,860,863	439,526	-	-	-	439,526
Prior year adjustment	-	(148,011)	-	-	148,011	-
Stock options granted	-	-	-	180,832	-	180,832
Loss and comprehensive loss	-	-	-	-	(1,241,586)	(1,241,586)
Balance, December 31, 2017	35,403,444	16,846,262	258,950	2,484,840	(18,467,233)	1,122,819
				-		
Balance, January 1, 2016	7,742,591	15,012,702	-	2,304,008	(17,149,033)	167,677
Available-for-sale financial assets					50,000	50,000
Income and comprehensive Income	-	-	-	-	(274,625)	(274,625)
Balance, December 31, 2016	7,742,591	15,012,702	-	2,304,008	(17,373,658)	(56,948)

Notes to the Financial Statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Jourdan Resources Inc. (the “Company”), specializes in the acquisition, exploration and development of mining properties in phosphate, lithium and other minerals, primarily in Canada. The Company is incorporated under the *Canada Business Corporations Act*. The address of the Company’s registered office is 600 Orwell Street, Unit 14, Mississauga, Ontario, Canada.

These audited financial statements assume continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from December 31, 2017. At December 31, 2017, the Company has an accumulated deficit of \$18,467,232 (December 31, 2016 - \$17,225,646) and has a working capital deficiency of \$637,109 (December 31, 2016 – working capital deficiency \$954,876). The Company’s ability to continue as a going concern is dependent upon its ability to generate sufficient funds and continue to obtain sufficient capital from investors to meet its current and future obligations. The Company is subject to risks and challenges similar to other exploration stage companies. As a result of these risks, a material uncertainty exists that cast’s significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Company’s funding initiatives will continue to be successful and these Interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Company will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

These audited financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB (“International Accounting Standards Board”) applicable to the preparation of audited financial statements, including International Accounting Standard (“IAS”) 34 – Audited Financial Reporting. The accounting policies followed in these audited financial statements are the same as those applied in the audited financial statements of the Company for the year ended December 31, 2016 (“Fiscal 2016”).

The policies applied in these audited financial statements are based on IFRS issued and outstanding as of March 31, 2018 the date the audit committee approved the statements. Any subsequent changes to IFRS after this date could result in changes to the financial statements for the period ended December 31, 2017.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Significant amounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

The Company operates in one segment defined as the cash generating unit (“CGU”) which is North America. These audited financial statements were approved and authorized for issue by the Board of Directors on April 30, 2018.

JOURDAN RESOURCES INC.

December 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Basis of presentation

The audited financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value. The comparative figures presented in these financial statements are in accordance with IFRS.

2.3 Basis of Measurement

These audited financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value.

2.4 Foreign currency translation

The functional and reporting currency, as determined by management, of the Company is the Canadian dollar. For the purpose of the financial statements, the results and financial position are reported in Canadian dollars.

Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in the statement of loss and comprehensive loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.5 Financial instruments

All financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

- a) Financial assets and liabilities at fair value through profit or loss ("FVTPL"): A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short-term. Derivatives are also included in this category unless they are designated as hedges. Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the Statements of Loss and Comprehensive Loss. Gains and losses arising from changes in fair value are presented in the Statements of Loss and Comprehensive Loss within other gains and losses in the period in which they arise.

Financial assets and liabilities at fair value through profit or loss are classified as current except for the portion expected to be realized or paid beyond twelve months of the reporting date, which is classified as non-current.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

JOURDAN RESOURCES INC.

December 31, 2017 and 2016

- a) Available-for-sale investments: Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories. Available-for-sale investments are recognized initially at fair value plus transaction costs and are subsequently carried at fair value. Gains or losses arising from changes in fair value are recognized in other comprehensive loss. Available-for-sale investments are classified as non-current, unless the investment matures within twelve months, or management expects to dispose of them within twelve months. When an available-for-sale investment is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive loss to the Statements of Loss and Comprehensive Loss and are included in other gains and losses.
- b) Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.
- c) Other financial liabilities: Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Other financial liabilities are derecognized when the obligations are discharged, cancelled or expired.

The Company's financial instruments consist of the following:

<u>Financial assets:</u>	<u>Classification:</u>
Cash	FVTPL
GST/HST receivable, other receivable	Loans and receivables
Investment in securities	FVTPL
Prepaid expenses	Loans and receivables

<u>Financial liabilities</u>	<u>Classification:</u>
Accounts payable and accrued liabilities	Other financial liabilities

2.6 Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, cash held in a financial institution or investments having a maturity of ninety days or less at acquisition, that are readily convertible to the contracted amounts of cash. Cash and equivalents are classified as FVTPL and measured at fair value.

2.7 Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss, as follows:

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- a) Financial assets carried at amortized cost: The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.
- b) Available-for-sale financial assets: The impairment loss is the difference between the original cost of the asset and its fair value at the measurement date, less any impairment losses previously recognized in the Statements of Loss and Comprehensive Loss. This amount represents the cumulative loss in accumulated other comprehensive loss that is reclassified to net loss.
- c) Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and can be related objectively to an event occurring after the impairment was recognized. Impairment losses on available-for-sale equity instruments are not reversed.

2.8 Exploration and evaluation assets

Acquisition costs related to exploration properties are capitalized as exploration and evaluation assets at fair value at the time the legal right to explore the property has been acquired. The acquisition costs are written off when an exploration and evaluation asset is disposed of through sale or abandonment.

Exploration and evaluation expenditures incurred on exploration properties are expensed until such time that a future economic benefit is more likely to be realized than not by the establishment of ore resources. Exploration and evaluation expenditures incurred subsequent to the establishment of commercially viable and technically feasible gold resources on a property are capitalized as an exploration and evaluation asset. Exploration and evaluation assets are not depreciated until the properties are in commercial production.

2.9 Impairment of non-financial asset

At each reporting date of the statements of financial position, the Company reviews the carrying amounts of its indefinite life tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. Definite life assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimate the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statements of Loss and Comprehensive Loss.

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

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Flow-through shares

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration programs. Pursuant to the terms of flow-through share agreements, the Company agrees to incur qualifying expenditures and renounce the tax deductions associated with these qualifying expenditures to the flow-through subscribers at an agreed upon date.

Flow-through shares are reported at issue price. If the flow-through shares are issued at a premium to the market price of non-flow through or hard dollar shares at the date of announcement, such premium or excess proceeds is reported as a liability on the Statements of financial position. The subsequent renunciation of such qualifying expenditures incurred by the Company in favor of the flow-through subscribers is reported as a reduction in the 'deferred premium on flow-through shares' liability on the Statements of Financial Position and a corresponding reduction in deferred tax expense on the Statements of Loss and Comprehensive Loss.

2.11 Share based compensation transactions

Stock options

The fair value of stock options granted to directors, officers, and employees is measured at grant date using the Black-Scholes valuation model using assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares, expected forfeitures and expected life of the options. The fair value of this share-based payment is recognized as a charge to the Statements of Loss and Comprehensive Loss with a corresponding credit to shareholders' equity on the Statements of Financial Position.

The fair value of stock options, subject to a vesting schedule, is recognized using the accelerated method and is measured using Black Scholes and assumptions at the time of vesting. The applicable fair values of any stock options which are exercised are transferred from contributed surplus to capital stock. Management is required to estimate forfeitures and revise its estimates of the number of stock options expected to vest each period. The impact of any revisions to management's estimate on forfeitures, if any, is recognized during the period.

Share-based payments to non-employees

Share-based payments granted to non-employees are measured at the fair value of the goods or services received. In the event the Company cannot reasonably estimate the fair value of goods or services received, the transaction is recorded at the estimated value of the underlying equity instrument, measured at the date the Company obtains the goods or the counterparty renders the service. Management is required to estimate forfeitures and revise its estimates of the number of stock options expected to vest each period. The impact of any revisions to management's estimate on forfeitures, if any, is recognized during the period.

2.12 Loss per common share

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period, including contingently issuable shares which are included when the conditions necessary for the issuance have been met. Diluted earnings per share is calculated in a similar manner, except that the weighted average number of common shares outstanding is increased to include potentially issuable common shares from the assumed exercise of common share purchase options and warrants, if dilutive. In periods where the Company reports a loss, the effect of potential issuance of shares under options and warrants would be anti-dilutive and therefore basic and diluted loss per share are the same.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Segment disclosures

The Company operates in North America in the acquisition and exploration of mineral properties.

2.14 Income taxes

Income taxes are calculated using the asset and liability method. Under this method, deferred income tax assets and liabilities are recognized for timing differences between the tax and accounting basis of assets and liabilities, and for the recognition of accumulated capital and non-capital losses, which in the opinion of management, are more likely than not to be realized before expiry. Deferred tax assets and liabilities are measured at the tax rates that are expected to be in effect in the period when the asset is expected to be realized or the liability is expected to be settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period and are disclosed as non-current. The effect on deferred income tax assets and liabilities resulting from a change in enacted tax rates is included in income in the year in which the change is enacted or substantively enacted.

2.15 Revenue recognition

Rental revenue from property and/or equipment is measured at the fair value of the consideration received or to be received and, is recognized on a monthly straight-line basis over the term, provided that collection is reasonably assured. Income from the option of exploration properties is recognized when received. Investment income from marketable securities is recognized when received.

2.16 Comprehensive income

Comprehensive income is the change in equity (net assets) of the Company during a reporting period from transactions and other events and circumstances from non-owner sources. It includes all changes to equity during a year except those resulting from investments by owners and distributions to owners. Comprehensive income is comprised of net income for the period and other comprehensive income. This standard requires certain gains and losses that would otherwise be recorded as part of net earnings to be presented in "other comprehensive income" until it is considered appropriate to recognize into net earnings.

The Company had no comprehensive income or loss transactions, other than its net loss, presented in the Statements of Loss and Comprehensive Loss, nor has the Company accumulated other comprehensive income during the periods that have been presented.

2.17 Related party transactions

Parties are considered related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions or is a member of the key management personnel of the reporting entity. Parties are also considered related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between said parties. Such transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Significant judgments in applying accounting policies and key sources of estimation uncertainty

Many of the amounts included in the audited Financial Statements require management to make judgments and/or estimates. These judgments and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the audited Financial Statements. Areas of significant judgment and estimates affecting the amounts recognized in the audited financial statements include:

a) Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that costs incurred will be recovered through successful exploration and development or sale of the asset under review. Furthermore, the assessment as to whether economically recoverable reserves exist is itself an estimation process. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the Statements of Loss and Comprehensive Loss in the period when the new information becomes available. The carrying value of these assets is detailed in Note 6.

b) Valuation of share-based payments

The Company records all share-based payments and warrants using the fair value method. The Company uses the Black-Scholes model to determine the fair value of stock options, warrants and broker warrants. The main factor affecting the estimates of the fair value of stock options, warrants, broker warrants and compensation options is the stock price expected volatility used. The Company currently estimates the expected volatility of its common shares based on comparable information derived from the trading history of guideline public companies which are in a similar situation to the Company taking into consideration the expected life of the options.

c) The estimated useful lives and residual values of equipment and the measurement of depreciation expense

Management estimates the useful lives of equipment based on the period during which the assets are expected to be available for use. The amounts and timing of recorded expenses for depreciation of equipment for any period are affected by these estimated useful lives. The estimates are reviewed at least annually and are updated if expectations change as a result of physical wear and tear, technical or commercial obsolescence and legal or other limits to use. It is possible that changes in these factors may cause significant changes in the estimated useful lives of the Company's equipment in the future.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Leased assets

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Company (a "finance lease"), the asset is treated as if it had been purchased outright. The amount initially recognized as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a finance lease obligation. Lease payments are analyzed between capital and interest.

The interest element is charged to the Statements of Loss and Comprehensive Loss over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Company (an "operating lease"), the total rentals payable under the lease are charged to the Statements of Loss and Comprehensive Loss on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognized as a reduction of the rental expense over the lease term on a straight-line basis.

2.20 Future Accounting Pronouncements

Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are listed below. This listing is of standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

At the date of authorization of these audited financial statements, the IASB has issued the following new and revised standards and interpretations which are not yet effective for the relevant reporting periods.

IFRS 15, Revenue from Contracts with Customers

The proposed standard addresses revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18, *Revenue* and IAS 11, *Construction contracts* and related interpretations. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company currently does not have any revenue however, prior to commencement of commercial production, the Company will assess the impact of IFRS 15.

IFRS 16, Leases

The proposed standard addresses accounting for leases and lease obligations. It replaces the existing leasing guidance in IAS 17, *Leases*. The objective of the new standard is to report all leases on the statement of financial position and to define how leases and lease liabilities are measured. IFRS 16 is effective January 1, 2019 with early adoption permitted for companies that also apply IFRS 15. The Company is currently assessing the impact of IFRS 16.

IFRS 9 – Financial Instruments

Classification and Measurement applies to classification and measurement of financial assets and liabilities as defined in IAS 39. This amendment is effective for annual periods beginning on

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or after January 1, 2018 with early adoption permitted. The Company does not expect any effect on its financial statements from the adoption of this standard.

IFRS 2, Share-based Payment Transactions

In June 2016, the IASB issued amendments to IFRS 2, which clarify how to classify and measure certain types of share-based payment transactions. These amendments are effective for annual periods beginning on or after January 1, 2018 and can be applied prospectively. The Company has not yet determined the impact of IFRS 2 on its financial statements.

IFRIC 23, Uncertainty over Income Tax Treatments

This interpretation clarifies how to apply the recognition and measurement requirements in IAS 12, Income Taxes when there is uncertainty over income tax treatments. In such a circumstance, the Company shall recognize and measure its current or deferred tax asset or liability applying the requirements in IAS 12 based on taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined applying this Interpretation. This interpretation is effective for annual periods beginning on or after January 1, 2019. The Company has not yet determined the impact of this interpretation on the consolidated financial statements.

There are no other IFRS's or IFRIC interpretations that are not yet effective that are expected to have a material impact on the Company.

3. TAXES AND OTHER RECEIVABLE

The Company's receivables arise from Harmonized sales tax ("HST") receivable due from Canadian tax authorities and other receivables.

4. MARKETABLE SECURITIES

The Company held marketable securities as follows:

December 31, 2017	Number of Shares	Cost (\$)	Fair Value (\$)
Satori Resources Inc.	50,000	50,000	4,500
Aurtois Exploration Inc.	312,000	50,000	-
		\$100,000	\$4,500

December 31, 2016	Number of Shares	Cost (\$)	Fair Value (\$)
Satori Resources Inc.	50,000	50,000	67,500
Aurtois Exploration Inc.	312,000	50,000	-
		\$100,000	\$67,500

The fair value of the listed current available-for-sale investment has been determined directly by reference to published price quotations in an active market with any gain or losses adjusted through the income statement in other comprehensive loss as in accordance with IAS 39.

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5. EXPLORATION AND EVALUATION ASSETS

	Balance, at December 31, 2016	Additions	Impairment	Sale	Balance, at December 31, 2017
Quebec	\$	\$	\$	\$	\$
Valle, Lacorne and Baillarge					
Exploration and evaluation	897,928	-	-	-	897,928
Rome Lithium					
Exploration and evaluation	-	50,000	-	-	50,000
Pressiac Lacorne Lithium					
Exploration and evaluation	-	192,000	-	-	192,000
Lacorne Lithium					
Exploration and evaluation	-	20,000	-	-	20,000
Baillarge North					
Exploration and evaluation	-	600,000	-	-	600,000
Summary					
Exploration and evaluation	897,928	862,000	-	-	1,759,928

	Balance, at December 31, 2015	Additions	Impairment	Sale	Balance, at December 31, 2016
Quebec	\$	\$	\$	\$	\$
Dissimeix Property					
Exploration and evaluation	179,183	-	-	(179,183)	-
Jazz Phosphate property					
Exploration and evaluation	24,394	-	(24,394)	-	-
Valle, Lacorne and Baillarge					
Exploration and evaluation	897,928	-	-	-	897,928
Other phosphate properties					
Exploration and evaluation	67,706	-	(67,706)	-	-
Summary					
Exploration and evaluation	1,169,211	-	(92,100)	(179,183)	897,928

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5. EXPLORATION AND EVALUATION ASSETS (continued)

a) Baillargé North property

On August 24, 2017, the Company announced that it has closed the acquisition of 10320781 Canada Inc. ("10320781"), which owned a 100% legal interest in the Baillargé North property (the "Property"), subject to a 1% net smelter return. Jourdan paid \$50,000 in cash and issued an aggregate of 5,000,000 common shares ("Acquisition Shares") on August 21, 2017 in exchange for all of the outstanding shares of 10320781.

b) Rome Lithium property

On June 29, 2017, the Company and Fairmont Resources Inc. (TSX-V: FMR) ("Fairmont") announced that they have entered into a non-arms-length assignment agreement with Fairmont resources Inc. entitling Jourdan to acquire a 100% interest in the Rome Lithium property ("the property"). In consideration of the acquisition of the interest in the property, Jourdan will: (i) make \$50,000 cash payment, (ii) issue 1,500,000 common shares of Jourdan, (iii) grant 2% net smelter return ("NSR") on the property, of which half (1%) may be bought back for \$1,000,000 at any time, and (iv) the completion of exploration expenditures on the property to totaling \$150,000 on or before June 10, 2019 (the "Option").

c) Preissac Lacorne Lithium Portfolio

On May 9, 2017, the Company announced that it has negotiated an options agreement with Alix resources Inc. (TSX-V: AIX) ("Alix") to acquire up to 75% interest in Alix's 145 claim Preissac-Lacorne lithium portfolio (the "Alix option"). Company also acquired a 75% interest in Alix Resources Inc.'s Preissac-Lacorne Lithium and issued 600,000 common shares at the market value of \$0.16 per share. Also two acquisition agreements with prospectors to acquire 100% interest in two claims in close proximity to the Quebec Lithium Mine (the "GiGi Claims"), and two additional claims (the "JF Claims"), one of which holds the mineral rights below the Quebec Lithium Mine's mill (the "Quebec Lithium Acquisitions" and with the Alix Option, collectively the "Transactions").

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5. EXPLORATION AND EVALUATION ASSETS (continued)

d) Vallee, Lacorne and Baillarge Property

The Valley project, which is in the Val-d'Or region of Northern Quebec, consists of 17 claims (703.8 hectares or 7.2 Km²) in Lacorne and Fieldmont townships.

ElanOre Option:

- On August 22, 2013, the Company entered into an Option agreement to Option 100% of its Vallee Lithium Property to ElanOre Resources Inc. ("ElanOre")
- ElanOre Resources Inc. is a private company and, as such, its shares are unquoted and are not traded on an active stock exchange.
- To acquire 100% of the property, per the terms of the Option agreement, ElanOre will issue 6,000,000 common shares at a deemed value of \$0.10 per share within 30 days (Note 5) and pay an additional \$600,000 in cash, common shares or a combination of cash and common shares of ElanOre within 24 months of the signing of the option agreement. The issue price of such additional shares would be based on the volume weighted average closing price per common share for the 30 trading days immediately preceding the fifth trading day before the date of the payment, subject if \$0.05. The original vendor of the property carries a 2% Net smelter Returns ("NSR") Royalty of which 1% can be purchased by ElanOre Resources at any time for \$1000,000.
- Should ElanOre not pay the additional \$600,000 in cash, common shares or a combination of cash and common shares of ElanOre within 24 months of the signing of the option agreement, then 100% of the Vallee property would revert back to Jourdan.
- ElanOre did not make the additional payment in cash, common shares, or a combination and thus the property has reverted to the Company.

The Baillarge Lithium Project consists of 12 claims (511.5 hectares or 5.1 km²) in Lacorne Township (covering Ranges II and III, Lots 5 to 11).

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6. TRADE AND OTHER PAYABLES

Payables and accrued liabilities for the Company are as follows:

	December 31, 2017	December 31, 2016
	\$	\$
Trade payables	314,363	571,680
Accrued liabilities	105,000	-
	\$419,363	\$571,680

7. EQUITY

The share capital of the Company consists only of fully paid common shares.

Authorized:

Unlimited number of common shares without par value.

Issued and outstanding common shares	Shares	Amount (\$)
Balance, at January 1, 2016	7,742,581	14,864,690
Balance, at December 31, 2016	7,742,581	14,864,690
Private placement – April 2017	16,100,000	1,207,500
Share issue costs	-	(68,543)
Black Scholes on finder's warrants	-	(25,500)
Black Scholes on warrants	-	(233,450)
Shares issued in settlement of debt – April 2017	5,860,863	439,565
Shares in lieu of acquisition of property – May 2017	700,000	112,000
Shares in lieu of acquisition of property – August 2017	5,000,000	550,000
Balance, at December 31, 2017	35,403,444	16,846,262

On August 21, 2017, the Company completed the acquisition of 10320781 Canada Inc. which owns a 100% legal interest in the Baillargé North property and issued an aggregate of 5,000,000 common shares in exchange for all of the outstanding shares of 10320781 Canada Inc at the market value of \$0.11 per share.

On May 16, 2017, the Company acquired a 100% interest in the Gigi and JF claims and issued 100,000 common shares at the market value of \$0.16 per share.

On May 16, 2017, the Company also acquired a 75% interest in Alix Resources Inc.'s Preissac-Lacorne Lithium and issued 600,000 common shares at the market value of \$0.16 per share.

On April 28, 2017, the Company issued 5,860,853 common shares at a deemed price of \$0.075 per common share in settlement of outstanding debt of \$439,565.

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7. EQUITY (continued)

On April 11, 2017, the company closed its non-brokered private placement by issuing an aggregate of 16,100,000 units at a price of \$0.075 per unit for gross proceeds of \$1,207,500. The company paid arm's length finders an aggregate amount of \$68,503.99 and issued an aggregate of 813,387 non-transferable finder warrants. Each Unit comprised of one (1) common share in the capital of the Company (a "Common Share") and one half of one (1) Common Share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder thereof to purchase one (1) Common Share at an exercise price of \$0.10 per share until April 10, 2018 (the "Warrant Expiry Date").

8. SHARE BASED PAYMENTS

The Company has adopted a share-based payment plan under which members of the Board of Directors may award options for ordinary shares to directors, officers and consultants. The maximum number of shares issuable under the plan represents 10% of the issued and outstanding capital stock of the Company. The maximum number of shares which may be reserved for issuance to any optionee pursuant to share options may not exceed 5% of the common shares outstanding at the time of grant and 2% for consultants.

The exercise price of each option is determined by the Board of Directors and cannot be less than the market value of the ordinary shares on the day prior the award, and the term of the options cannot exceed ten years. The options are vested over an 12-month period: 25% at the date of grant and 25% every three months thereafter.

All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

On May 31, 2017, the Company announced that the Board has approved the grant of an aggregate of 2,500,000 stock options to purchase common shares in the capital of the Company to certain consultants, directors and officers of the Company. The options are exercisable at a price of \$0.17 per common share for a term of 5 years, until May 31, 2022.

The Company's stock options are as follows for the reporting periods presented:

	December 31, 2017		
	Number of options	Weighted average exercise price	Remaining life
		\$	
Outstanding as at January 1, 2017	220,000	0.90	4.43
New issue	2,500,000	0.075	4.75
Expired	-	-	-
Outstanding at December 31, 2017	2,720,000	0.14	4.11

	December 31, 2016		
	Number of options	Weighted average exercise price	Remaining life
		\$	
Outstanding as at January 1, 2016	405,500	1.20	5.43
New issue	-	-	-
Expired	(185,500)	-	-
Outstanding at December 31, 2016	220,000	0.90	4.43

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The fair values of the warrants and stock options were estimated on the issuance date using the Black-Scholes pricing model, with the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	123.7%
Risk-free interest rate	1.07%
Expected average life	5 years

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December 31, 2017 and 2016

9. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the period divided by the weighted average number of shares in circulation during the period. In calculating the diluted loss per share, dilutive potential ordinary shares such as share options and warrants have not been included as they would have the effect of decreasing the loss per share. Decreasing the loss per share would be antidilutive. Details of share options and warrants issued that could potentially dilute earnings per share in the future are given in Notes 8 and 9.

Both the basic and diluted loss per share have been calculated using the net loss as the numerator, i.e. no adjustment to the net loss was necessary in 2017 and 2016.

	2017	2016
	\$	\$
Net loss	1,241,586	224,625
Weighted average number of shares in circulation	25,579,874	7,742,591
Basic and diluted loss per share	(0.049)	(0.029)

10. ADDITIONAL INFORMATION – CASH FLOWS

The changes in working capital items are detailed as follows:

	2017	2016
		\$
Taxes and other receivable	(80,610)	(22,964)
Trade and other payables	(152,317)	24,558
Due to Related Company	(64,630)	0
Other liabilities	(57,278)	64,096
	(354,835)	65,690

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11. INCOME TAXES

The effective income tax rate of the Company differs from the combined federal and provincial income tax rate in Canada. This difference results from the following items:

The effective income tax rate of the Company differs from the combined federal and provincial income tax rate in Canada. This difference results from the following items:

	<u>2017</u>	<u>2016</u>
	\$	\$
Loss before income taxes	<u>(1,241,586)</u>	<u>(287,443)</u>
Tax expense at combined statutory rate of 26.5% (26.5% - 2014)	(329,020)	(76,172)
Increase (decrease) in taxes resulting from:		
Temporary differences not recorded	31,500	24,407
Share-based payment	-	-
Tax loss carried forward	<u>(297,520)</u>	<u>51,765</u>
	<u>-</u>	<u>-</u>

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As at December 31, 2017 the company has non-capital tax losses which are available to reduce income taxes in future years and for which no deferred tax asset has been recorded in the statement of financial positions. These losses expire as follows:

	<u>Federal</u>	<u>Quebec</u>
	\$	\$
2036	297,520	297,520
2035	158,773	158,773
2034	742,703	742,703
2033	541,858	541,858
2032	621,479	621,479
2031	469,602	469,602
2030	374,780	374,780
2029	262,799	262,799
2028	270,923	270,923
2027	381,736	381,736
2026	287,660	287,660
	<u>4,409,833</u>	<u>4,246,107</u>

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12. COMMITMENTS AND CONTINGENCIES

The Company is partially financed through the issuance of flow-through shares and, according to tax rules regarding this type of financing, the Company is engaged in realizing mining exploration work. These tax

rules also set deadlines for carrying out the exploration work, which must be performed no later than earlier of the following dates;

- End of the calendar year following the flow-through placements;
- One year after the Company has renounced the tax deductions relating to the exploration work.

However, there is no guarantee that the Company's exploration expenses will qualify as Canadian exploration expenses, even if the Company is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities would have a negative tax impact for investors.

As at December 31, 2015, the amount of flow-through proceeds to be expended was not met by the Company and this may result in a liability to its shareholders. Per review of the subscription agreements, expenditures were not spent in accordance with the agreement, and hence management has set up a liability of \$333,550 based upon their best estimates of the amount the shareholder could be reassessed by tax agencies due to the fact that Jourdan did not spend the required amount per the flow through share agreement. The Company determined that additional penalties and interest were payable of \$88,407. This balance is still accrued as of the December 31, 2017 year end.

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13. TRANSACTIONS WITH RELATED PARTIES

On April 28, 2017, the Company issued 5,860,853 common shares at a deemed price of \$0.075 per common share in settlement of outstanding debt of \$439,565. Michael Dehn, President and CEO and Director of the Company, and Glen Wylie, a former CFO of the Company, at the time that transactions were completed, participated directly and indirectly through Avanti Wealth Management & Consulting Limited ("Avanti") in the shares for debt transactions as to respectively an aggregate of 279,423 common shares for Mr. Dehn, 21,897 common shares for Mr. Wylie and 2,475,146 common shares for Avanti for aggregate debt settlement of \$208,235. The shares in settlement of debt also included an issue of 861,732 common shares to Expo-Logik, a related party for settlement of \$64,630 due to them.

Management fees to Avanti for the year ended December 31, 2017 was \$144,000 (December 31, 2016 - \$86,000). At December 31, 2017, included in trade and other payables was an amount of \$213,152 which was due to Avanti (December 31, 2016 – payable of \$414,056).

14. CAPITAL AND FINANCIAL RISK MANAGEMENT

The Company manages capital, based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Company's ability to continue as a going concern, maximizing the funds invested into exploration and development activities, exploring and developing gold resources, and considering additional financings which minimize shareholder dilution. There were no changes in the Company's approach to capital management during the period ended April 30, 2017.

The Company's capital structure reflects a company focused on mineral exploration and financing both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate.

The Company manages capital in proportion to risk and manages the exploration and evaluation assets and capital structure based on economic conditions and prevailing gold commodity pricing and trends. The Company relies on equity financings to maintain adequate liquidity to support its ongoing exploration and development activities and ongoing working capital commitments.

Fair Value

The carrying values for primary financial instruments, including cash, HST receivable, other receivables, marketable securities and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Company's exposure to potential loss from financial instruments relates primarily to its cash held with Canadian financial institutions.

The fair value of financial instruments that are measured subsequent to initial recognition at their fair value, is measured within a 'fair value hierarchy' which has the following levels:

- i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- ii) Level 2: valuation techniques using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- iii) Level 3: valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash and marketable securities are considered Level 1.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Company during the year. The objectives and strategy for the exploration and evaluation asset portfolio remains unchanged.

The Company's exploration and development activities expose it to the following financial risks:

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Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and cash equivalents. Cash is maintained with financial institutions of reputable credit and may be redeemed upon demand. The carrying amounts of financial assets represent the maximum credit exposure. All cash is held at Laurentian Bank of Canada or Royal Bank which has a rating of BBB. The Company has performed a sensitivity analysis on changes in the credit risk associated with Laurentian Bank of Canada and considers this risk to be minimal for all cash assets based on changes that are reasonably possible at the reporting date.

The Company has no trade accounts and has nominal other subscriptions and as such has limited exposure to credit risk. The Company continuously monitors defaults of counterparties as applicable. No impairment loss has been recognized in the periods presented.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Company's primary market risk exposures, and how those exposures are currently managed, follows:

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Company has historically had insignificant operations in United States ("US") dollars. The Company has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity Price Risk

Commodity prices, and in particular gold spot prices, fluctuate and are affected by factors outside of the Company's control. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Company's ability to raise equity financing for its ongoing working capital requirements.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Company has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Company maintains principally all its assets in cash and equivalents.

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14. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. The Statement of Financial Position carrying amounts for cash and cash equivalents and trade and other payables approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Fair Value Hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable marker data (unobservable inputs).

Marketable securities in the statement of financial position are based on quoted prices and are therefore considered to be Level 1.

Sensitivity Analysis

The Company believes that movements of +10% / - 10% (FVTPL) in investments held for trading that are reasonably possible over the next twelve-month period will not have a significant impact on the Company. The Company believes that its cash position and short-term investments provide adequate liquidity to meet all of the Company's near-term obligations.

15. SUBSEQUENT EVENT

No material subsequent events have occurred up until the date of this report.