

SIERRA MADRE DEVELOPMENTS INC.

(An Exploration Stage Company)

Consolidated Financial Statements

For The Years Ended March 31, 2018 and 2017

In Canadian Dollars

**SIERRA MADRE DEVELOPMENTS INC.
(AN EXPLORATION STAGE COMPANY)
Consolidated Financial Statements**

For the Years Ended March 31, 2018 and 2017

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Sierra Madre Developments Inc.

We have audited the accompanying consolidated financial statements of Sierra Madre Developments Inc. and its subsidiary, which comprise the consolidated statements of financial position as at March 31, 2018 and 2017, and the consolidated statements of comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 overall presentation of the consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of Sierra Madre Developments Inc. and its subsidiary as at March 31, 2018 and 2017, and their financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to note 1 in the consolidated financial statements which indicates the existence of material uncertainties that may cast significant doubt on the ability of Sierra Madre Developments Inc. and its subsidiary to continue as a going concern.

WOLRIGE MAHON LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

July 30, 2018
Vancouver, B.C.

SIERRA MADRE DEVELOPMENTS INC.
(AN EXPLORATION STAGE COMPANY)
Consolidated Statements of Financial Position
(in Canadian Dollars)

	March 31, 2018	March 31, 2017
	\$	\$
ASSETS		
Current		
Cash	19,771	30,343
Amounts receivable	10,913	8,337
Reclamation bond	15,000	15,000
Total Assets	45,684	53,680
LIABILITIES		
Current		
Accounts payable and accrued liabilities	53,832	50,080
Due to related parties (note 9)	754,178	706,254
Total Liabilities	808,010	756,334
SHAREHOLDERS' EQUITY		
Capital stock (note 7)	7,167,198	7,167,198
Contributed surplus (note 8)	930,281	930,281
Deficit	(8,859,805)	(8,800,133)
Total Shareholders' Equity	(762,326)	(702,654)
Total Liabilities and Shareholders' Equity	45,684	53,680

Nature and continuance of operations (Note 1)

Approved on behalf of the Board:

"Carl von Einsiedel"
..... Director
Carl von Einsiedel

"Garth Kirkham"
..... Director
Garth Kirkham

See Accompanying Notes to the Consolidated Financial Statements

SIERRA MADRE DEVELOPMENTS INC.
(AN EXPLORATION STAGE COMPANY)
Consolidated Statements of Comprehensive Loss
(in Canadian Dollars)

	Year ended March 31, 2018	Year ended March 31, 2017
Expenses	\$	\$
Bank charges	72	102
Exploration and evaluation expenditures	-	2,500
Insurance	-	5,310
Management fees (note 9)	36,000	39,000
Professional fees	11,600	7,000
Regulatory fees	-	8,766
Rent (note 9)	12,000	12,000
Net Loss and Comprehensive Loss for the Year	59,672	74,678
Basic and Diluted Loss per Share	0.00	0.00
Weighted Average Number of Common Shares Outstanding	53,980,827	53,980,827

See Accompanying Notes to the Consolidated Financial Statements

SIERRA MADRE DEVELOPMENTS INC.
(An Exploration Stage Company)
Consolidated Statements of Changes in Equity
(in Canadian Dollars)

	Number of Shares	Amount \$	Contributed Surplus \$	Deficit \$	Total \$
Balance at March 31, 2016	53,980,827	7,167,198	930,281	(8,725,455)	(627,976)
Net loss for the year	-	-	-	(74,678)	(74,678)
Balance at March 31, 2017	53,980,827	7,167,198	930,281	(8,800,133)	(702,654)
Net loss for the year	-	-	-	(59,672)	(59,672)
Balance at March 31, 2018	53,980,827	7,167,198	930,281	(8,859,805)	(762,326)

See Accompanying Notes to the Consolidated Financial Statements

SIERRA MADRE DEVELOPMENTS INC.
(AN EXPLORATION STAGE COMPANY)
Consolidated Statements of Cash Flows
(in Canadian Dollars)

	Year ended March 31, 2018	Year ended March 31, 2017
	\$	\$
Operating Activities		
Net loss for the year	(59,672)	(74,678)
Changes in non-cash working capital items:		
Amounts receivable	(2,576)	113,598
Accounts payable and accrued liabilities	3,752	-
Due to related parties	47,924	400
Cash (Used in) Provided By Operating Activities	(10,572)	39,320
Investing Activity		
Reclamation bond	-	(10,000)
Cash (Used in) Provided By Investing Activity	-	(10,000)
Increase (Decrease) in Cash	(10,572)	29,320
Cash, Beginning of Year	30,343	1,023
Cash, End of Year	19,771	30,343

See Accompanying Notes to the Consolidated Financial Statements

SIERRA MADRE DEVELOPMENTS INC.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the years ended March 31, 2018 and 2017
(in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Sierra Madre Developments Inc. (“the Company”) is a gold and silver focused exploration company with an interest in a mineral property in Canada. The Company has not yet been able to determine whether this property contains resources that are economically recoverable. The Company’s head office and principal address is 8792 Shook Road, Mission BC, V2V 7N1.

On August 6, 2014, the BC Securities Commission issued a cease trade order (“CTO”) as a result of the Company’s failure to file its financial statements for the year ended March 31, 2014. Prior to the CTO, the Company’s shares traded on the TSX Venture Exchange (“TSX-V”) under the symbol SMG.

These consolidated financial statements have been prepared on the assumption that the Company and its subsidiary will continue as a going concern, meaning they will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. There are conditions and events that cast significant doubt on the validity of this assumption. As at March 31, 2018, the Company had a working capital deficiency of \$762,326 (2017 – \$702,654) and an accumulated deficit of \$8,859,805 (2017- \$8,800,133). The Company has no source of revenue and does not have sufficient cash to meet its administrative overhead and maintain its mineral property interests. The Company’s ability to continue as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom and/or to raise equity capital or borrowings sufficient to meet current and future obligations. However, the CTO precludes the Company from raising any money. The business of mining and exploration involves a high degree of risk and there can be no assurance that management’s plans will be successful. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of Compliance

These financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”).

Basis of Preparation

These financial statements have been prepared on an accrual basis, except for cash flow information, and are based on historical costs, except for financial instruments measured at fair value. The Company’s functional and presentation currency is the Canadian dollar.

Basis of Consolidation

For the years ended March 31, 2018, and 2017 the financial statements included the accounts of the Company’s wholly owned subsidiary, Bear Mountain Gold Mines Ltd. Inter-company balances and transactions are eliminated on consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank deposits and short-term investments with original maturity dates of three months or less. As at March 31, 2018 and 2017, the Company had no cash equivalents.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Foreign Currency Translation

The functional and presentation currency of the Company is the Canadian dollar. Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statements of financial position date are retranslated at the period-end date exchange rates. Non-monetary items which are measured using historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

c) Exploration and Evaluation Expenditures

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility, and the assessment of commercial viability of an identified resource.

The Company expenses all costs related to expenditures on mineral property interests, for which the Company does not possess unrestricted ownership and exploration rights, on a property-by-property basis. Such costs include mineral property acquisition costs pursuant to option agreements and exploration and development expenditures, net of any recoveries. Costs are expensed until such time as the extent of mineralization has been determined and mineral property interests are developed.

From time-to-time, the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As such options are exercisable entirely at the discretion of the optionee the amounts payable or receivable are not recorded at the time of the agreement. Option payments are recorded as property costs or recoveries when the payments are made or received.

d) Long-lived Assets and Impairment

Long-lived assets are reviewed by management for possible impairment whenever events or changes in circumstances indicate that their carrying value may not be recoverable. An impairment loss is recognized when the carrying amount of an asset exceeds the estimated undiscounted future cash flow expected to result from the use of the asset and its eventual disposition.

e) Earnings/Loss per Share

Earnings (loss) per share is calculated using the weighted average number of shares outstanding during the reporting period. The Company uses the treasury stock method for computing diluted loss per share. This method assumes that any proceeds obtained upon exercise of outstanding options or warrants would be used to purchase common shares at the average market price during the period.

f) Share Issue Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Estimates and Judgements

The preparation of the financial statements requires management to make certain judgements, estimates and assumptions which affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Significant areas requiring the use of management estimates include expected future tax rates and fair value measurements for financial instruments. Financial results as determined by actual events could differ from those estimates.

Management has applied its judgement in evaluating the Company's ability to continue as a going concern prospects and related disclosures.

h) Financial Instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash, reclamation bond, accounts payable and accrued liabilities and amounts due to related parties. Management has classified financial assets and liabilities as follows:

1) Financial assets

The Company has classified its cash at FVTPL and its reclamation bond as loans and receivables. A financial instrument is classified at FVTPL if it is held for trading or is designated as such upon initial recognition. Transaction costs associated with financial instruments classified at FVTPL are expensed as incurred. Financial instruments at FVTPL are measured at fair value and changes therein are recognized in profit or loss.

2) Financial liabilities

The Company has classified its accounts payable and accrued liabilities and amounts due to related parties as other financial liabilities. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period.

i) Income Taxes

Current income taxes are recognized for the estimated income taxes payable or recoverable for the current year. Deferred income tax assets and liabilities are recognized for temporary differences between the tax and accounting bases of assets and liabilities. Deferred income tax assets and liabilities are measured using substantially enacted tax rates that apply for the years in which the temporary differences are expected to be recovered or settled. Deferred income tax assets are recognized to the extent that it is probable the asset will be realized.

Flow-through shares are accounted for as compound instruments comprising liability and equity components upon issuance, with any premium received that can be reasonably determined being attributed to the tax benefit provided and considered a liability. Upon qualifying expenditures being incurred, this liability is reversed and recognized in profit or loss. Costs related to the liability component are also charged to profit or loss.

The Company estimates the value of the liability component using the residual method, whereby the quoted price of the Company's non-flow-through shares issued is compared to the price investors paid for the flow-through shares and any difference forms the premium amount.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Share-based compensation

The Company records all share-based payments at fair value. Share-based compensation expense for share option grants to employees and others providing similar services is based on the fair value of the stock options issued at the grant date, which is determined using the Black-Scholes Option-Pricing Model. Where equity instruments are granted to non-employees, they are recorded at the fair value of goods or services received. When the value of goods or services cannot be reliably estimated, the Black-Scholes Option Pricing Model is used. Compensation expense for share options granted to non-employees is recognized as the options are earned and the services are provided. Compensation expense for share options granted to employees is amortized over the vesting period using the graded vesting model. On exercise of stock options, consideration paid together with the fair value amount previously credited to contributed surplus is recorded as share capital.

k) New Accounting Standards Issued but Not Yet Effective

Certain new standards, and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods noted below. The Company has not early adopted the following new and revised standards that have been issued but are not yet effective. Some updates that are not applicable or are not consequential to the Company have been excluded from the list below.

New accounting standards effective for the Company April 1, 2018

- IFRS 9 Financial instruments
- IFRS 15 Revenue from contracts with customers.

New accounting standards effective for the Company April 1, 2019

- IFRS 16 Leases (New in 2016; to replace IAS 17, IFRIC 4, SIC-15 and SIC-27); and
- IAS 12 Income Taxes (Annual improvements to IFRS Standards 2015-2017 Cycle).

The Company anticipates that the application of the above new and revised standards and amendments will have no material impact on its results and financial position.

4. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of equity, which at March 31, 2018 was a deficit of \$762,326. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

5. FINANCIAL INSTRUMENTS

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value, by reference to the reliability of the inputs used to estimate the fair values:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

As at March 31, 2018, the Company's financial instruments consisted of cash, reclamation bond, accounts payable and accrued liabilities and amounts due to related parties. Cash is stated at fair value and classified within Level 1. The reclamation bond is classified as loans or receivables and carried at amortized cost. The fair values of the reclamation bond, accounts payable and accrued liabilities and amounts due to related parties approximate their carrying values because of the short-term nature of these instruments.

Financial risks

The Company's risk exposures arising from financial instruments and the impact on the Company's financial statements are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in a major bank in Canada. Accordingly, there is a concentration of credit risk.

Liquidity risk

Liquidity risk is that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company's approach to managing liquidity risk is to ensure that it will have sufficient funds available to meet liabilities when due. The Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements, and amounts from related parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

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. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Management does not believe the Company is exposed to significant currency or other price risk.

(a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is considered to be minimal.

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(in Canadian Dollars)

6. EXPLORATION AND EVALUATION EXPENDITURES

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims that may be impacted by the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, titles to all of its properties are in good standing.

Harrison Gold (Abo) Project

On November 17, 2011, the Company signed an Option to Purchase Agreement with Omineca Mining and Metals Ltd. (“Omineca”) to acquire a 100% interest in 11 mineral claims comprising approximately 2,427 hectares located near Harrison Lake, British Columbia. In order to exercise the option, the Company agreed to make cash payments of \$1,000,000, issue 1,333,334 post-consolidated shares and incur exploration expenditures of at least \$3,000,000 over five years from November 21, 2011. The vendor will retain a 2% Net Smelter Return royalty (“NSR”). The Company, at any time on or before three years following commencement of commercial production from the property, has the right to purchase one-half of the NSR (1%) for \$1,000,000 in cash.

On May 21, 2015, the Company and Omineca amended the option agreement by agreeing to extend the share payment and expenditure due dates for a period of one year and to reduce the total expenditures requirements to \$2,000,000; and by amending the terms of the cash payments such that \$400,000 may be made in shares of the Company and the balance of \$500,000 paid in instalments by way of an Advanced Preferred Royalty, to be paid a minimum of \$100,000 per year commencing 60 days after the Triggering Event (as defined). In consideration, the Company agreed to issue an additional 1,500,000 shares.

On February 20, 2017, the Company and Omineca further amended the option agreement on the Abo property changing the definition of “Triggering Event”, adding Bear Mountain Gold Mines Ltd. to the agreement as a third party and amending the option payments schedule. As consideration, the Company agreed to issue an additional 500,000 shares to Omineca. Payments, share issuances and exploration expenditures are now due as follows:

Cash Payments	Share Issuances	Exploration Expenditures	Due Dates
\$		\$	
25,000	-	-	- On execution date (paid)
25,000	66,667	-	- December 5, 2011 (paid and issued)
50,000	100,000	-	- December 5, 2012 (paid and issued)
-	-	50,000	December 31, 2017 (incurred)
-	666,666	100,000	December 31, 2018
-	500,000	100,000	December 31, 2019
400,000	2,000,000	1,750,000	December 31, 2020
500,000	-	-	- Preferred Advance Royalty payments
<u>1,000,000</u>	<u>3,333,333</u>	<u>2,000,000</u>	

On April 16, 2012, the Company incorporated a wholly owned subsidiary Bear Mountain Gold Mines Ltd. (“Bear Mountain”) to hold title to any additional claims acquired within the Area of Interest established under the option agreement with Omineca. 17 claims totalling 2,653 hectares have been acquired to date.

6. EXPLORATION AND EVALUATION EXPENDITURES – continued

Haro Option & Joint Venture Agreement

On November 30, 2017, Bear Mountain signed a property option and joint venture agreement with Haro Metals Corp. (“**Haro**”). This agreement grants to Haro the sole and exclusive right and option (the “**Option**”) to acquire from Bear Mountain up to an undivided 60% right, title and interest in and to five mineral claims totaling approximately 74.41 hectares, collectively referred to as the Harrison South Gold Property, as staked by Bear Mountain.

To exercise the Option, Haro must pay an aggregate of \$100,000 to Bear Mountain (either in cash or Shares, at Haro’s election), and incur an aggregate of \$500,000 of expenditures on the property in accordance with the following:

- (i) on or before December 31, 2017, incur at least \$100,000 of expenditures on the property (incurred);
- (ii) on or before June 30, 2019, incur an additional \$100,000 of expenditures on the property;
- (iii) on or before December 31, 2020, incur an additional \$300,000 of expenditures on the property, and pay the sum of \$100,000 to Bear Mountain (either in cash or shares, at Haro’s election).

7. CAPITAL STOCK

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At March 31, 2018, there were 53,980,827 issued and fully paid common shares (March 31, 2017 – 53,980,827).

Stock options

The Company has adopted a 10% rolling Stock Option Plan (the “Plan”). Under the Plan, the Company may grant stock options to directors, officers, employees and consultants of the Company. The terms and conditions of the options are determined by the Board of Directors.

At March 31, 2018 and 2017, the Company had no stock options outstanding.

8. CONTRIBUTED SURPLUS

The fair value of share-based compensation is recognized as equity and recorded in contributed surplus until such time that the options are exercised, at which time the corresponding amount is transferred to share capital.

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9. RELATED PARTY TRANSACTIONS

The Company incurred the following transactions with the President/CEO, the CFO and companies controlled by the President/CEO and a director of the Company:

Year ended March 31,	2018	2017
	\$	\$
Management fees	36,000	39,000
Rent	12,000	12,000
	48,000	51,000

At March 31, 2018, the Company owed \$754,178 (2017 - \$706,254) in respect of services provided to and payments made on behalf of the Company.

	2018	2017
	\$	\$
Amounts owed to a company controlled by the CEO	725,850	671,926
Amounts owed to a company controlled by a director	28,328	28,328
Amounts owed to the CFO	-	6,000

These amounts are unsecured, non-interest-bearing and have no specific terms of repayment.

These transactions occurred in the normal course of business and were measured at the exchange amount, which was the amount of consideration agreed upon between the related parties.

10. INCOME TAX

- a) Reconciliation of Canadian income taxes at statutory rates with the reported income taxes is as follows:

Year ended March 31,	2018	2017
	\$	\$
Net loss for the year	59,672	74,678
Statutory tax rate	26.25%	26.00%
Expected income tax recovery	(15,664)	(19,416)
Deductible and non-deductible amounts	-	650
Change in unrecognized temporary differences	15,664	18,766
Total income tax recovery	-	-

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10. INCOME TAX - continued

- b) The significant components of deferred tax assets are as follows:

	2018	2017
	\$	\$
Non capital losses carried forward	2,547,000	2,487,000
Exploration and evaluation costs	233,000	233,000
Share issue costs	696,000	696,000
Deductible temporary differences	3,476,000	3,416,000
Unrecognized deductible temporary differences	(3,476,000)	(3,416,000)
	-	-

Deferred tax assets items have not been recognized in these consolidated financial statements as their realization is not considered probable.

- c) As at March 31, 2018, the Company has available non-capital losses for Canadian income tax purposes of approximately \$2,547,000 which may be carried forward and applied against future taxable income as follows:

	\$
2030	319,000
2031	379,000
2032	665,000
2033	462,000
2034	451,000
2035	77,000
2036	62,000
2037	72,000
2038	60,000
	<u>2,547,000</u>

11. SEGMENTED INFORMATION

The Company has one operating segment – the acquisition, exploration and development of mineral properties. As at March 31, 2018, the Company had only one property, located in Canada.