



CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

<u>Index</u>	<u>Page</u>
Condensed Consolidated Financial Statements	
Notice to Reader	2
Condensed Consolidated Statements of Financial Position	3
Condensed Consolidated Statements of Loss and Comprehensive Loss	4
Condensed Consolidated Statements of Equity	5
Condensed Consolidated Statements of Cash Flows	6
Notes to Condensed Consolidated Financial Statements	7-16



Notice to Reader:

These condensed consolidated interim financial statements of Carlin Gold Corporation (the “Company”) have been prepared by management and reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed interim financial statements, notes to financial statements and the related quarterly Management Discussion and Analysis.



Condensed Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	September 30	December 31
	2017	2016
Assets		
Current assets:		
Cash	\$ 15,953	\$ 236,623
Accounts receivable	4,006	7,935
Available-for-sale investments (Note 4)	320,000	120,000
Prepaid expenses	10,500	7,375
	350,459	371,933
Exploration and evaluation properties (Note 5)	1,714,431	1,704,882
Reclamation bonds	35,543	64,477
	\$ 2,100,433	\$ 2,141,292
Liabilities		
Current liabilities:		
Trade payables and accrued liabilities	\$ 45,644	\$ 36,586
Amounts due to related parties (Note 7)	36,853	59,611
	82,497	96,197
Equity		
Share capital (Note 6)	10,603,291	10,603,291
Reserves - Stock options and warrants (Note 6b)	1,231,232	1,126,222
Reserves - Available-for-sale-investments (Note 4)	320,000	120,000
Deficit	(10,136,587)	(9,804,418)
	2,017,936	2,045,095
	\$ 2,100,433	\$ 2,141,292

"K. Wayne Livingstone"
Director

"Robert Culbert"
Director

See accompanying notes to condensed consolidated financial statements.



Condensed Consolidated Statements of Loss and Comprehensive Loss
For the three and nine months ended September 30, 2017 and 2016
(Expressed in Canadian dollars)

	Three months ended		Nine months ended	
	September 30		September 30	
	2017	2016	2017	2016
Expenses:				
Accounting and audit	\$ 4,500	\$ 4,500	\$ 14,840	\$ 13,860
Insurance	3,125	3,042	9,375	9,292
Legal fees	8,773	1,711	13,006	7,540
Management and administration fees	30,000	30,000	90,000	90,000
Office	4,506	4,504	12,245	5,470
Regulatory fees	1,121	3,910	8,380	11,143
Rent	1,500	1,500	4,500	4,500
Share-based payments (Note 6b)	105,010	-	105,010	41,736
Technical consulting	8,204	4,244	32,714	15,293
Travel	35	-	930	-
Transfer agent fees	1,735	2,772	3,319	4,060
	(168,509)	(56,183)	(294,319)	(202,894)
Foreign exchange gain (loss)	4,385	(543)	6,844	2,729
Write-off of exploration properties (Note 5d)	(40,208)	(35,498)	(44,694)	(35,498)
Net (loss) for the period	\$ (204,332)	\$ (92,224)	\$ (332,169)	\$ (235,663)
Items of comprehensive (loss)				
Item that will be recycled to profit or loss:				
Fair value change of available-for-sale investments	150,000	10,000	200,000	50,000
Comprehensive (loss) for the period	\$ (54,332)	\$ (82,224)	\$ (132,169)	\$ (185,663)
(Loss) per share (basic and diluted)	\$ (0.00)	\$ 0.00	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	80,414,874	78,939,464	80,414,874	78,939,464

See accompanying notes to condensed consolidated financial statements.



Condensed Consolidated Statements of Equity
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian dollars)

	Number of Shares	Amount	Stock options	Warrants	Available-for-sale investments	Deficit	Total Equity
Balance, December 31, 2015	78,939,464	\$ 10,322,637	\$ 826,586	\$ 23,088	\$ 60,000	\$ (9,476,297)	\$ 1,756,014
Share-based payments	-	-	41,736	-	-	-	41,736
Items of comprehensive gain	-	-	-	-	50,000	-	50,000
Net loss for the period	-	-	-	-	-	(235,663)	(235,663)
Balance, September 30, 2016	78,939,464	\$ 10,322,637	\$ 868,322	\$ 23,088	\$ 110,000	\$ (9,711,960)	\$ 1,612,087
Private placement (Note 6)	10,000,000	300,000	-	200,000	-	-	500,000
Less: Share issuance costs	-	(19,346)	-	-	-	-	(19,346)
Share-based payments	-	-	34,812	-	-	-	34,812
Items of comprehensive gain	-	-	-	-	10,000	-	10,000
Net loss for the period	-	-	-	-	-	(92,458)	(92,458)
Balance, December 31, 2016	88,939,464	\$ 10,603,291	\$ 903,134	\$ 223,088	\$ 120,000	\$ (9,804,418)	\$ 2,045,095
Share-based payments	-	-	105,010	-	-	-	105,010
Items of comprehensive gain	-	-	-	-	200,000	-	200,000
Net loss for the period	-	-	-	-	-	(332,169)	(332,169)
Balance, September 30, 2017	88,939,464	\$ 10,603,291	\$ 1,008,144	\$ 223,088	\$ 320,000	\$ (10,136,587)	\$ 2,017,936

See accompanying notes to condensed consolidated financial statements.



Condensed Consolidated Statements of Cash Flows
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

	2017	2016
Operating Activities:		
Net loss for the period	\$ (332,169)	\$ (235,663)
Items not affecting cash:		
Foreign exchange	-	6,732
Share-based payments (Note 6b)	105,010	41,736
Write-down of exploration and evaluation properties (Note 5d)	4,486	35,498
Change in non-cash operating working capital:		
Accounts receivable	3,929	3,230
Prepaid expenses	(3,125)	(3,208)
Trade payables and accrued liabilities	9,058	39,342
Loan payable	-	39,066
Due to related parties (Note 7)	(22,758)	111,929
Cash Used in Operating Activities	(235,569)	38,662
Investing Activities:		
Exploration and evaluation property expenditures (Note 5)	(14,035)	(52,942)
Decrease in reclamation bonds	28,934	(495)
Cash used in investing activities	14,899	(53,437)
Foreign Exchange Effect on Cash	-	(6,732)
(Decrease) in cash	(220,670)	(21,507)
Cash, Beginning of Year	236,623	32,338
Cash, End of Period	\$ 15,953	\$ 10,831

See accompanying notes to condensed consolidated financial statements.



Notes to Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Carlin Gold Corporation (the “Company”) is registered under the British Columbia *Business Corporations Act* and trades on the TSX Venture Exchange. The Company is in the business of acquiring, exploring and developing mineral properties in Nevada and Yukon, and has not yet determined whether its properties contain ore reserves that are economically recoverable. The head office and principal address of the Company is situated at Suite 320 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

The Company has not generated any revenue since inception, has never paid dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. During the nine months ended September 30, 2017, the Company incurred a net loss of \$332,169 (2016-\$235,663) and as at September 30, 2017 the Company has working capital of \$267,962 (December 31, 2016 - \$275,736).

The ability of the Company to continue as a going concern and meet its commitments as they become due, including completion of the acquisition, exploration and development of its mineral property interests, is dependent on the Company’s ability to obtain the necessary financing. The Company will require additional capital to finance future operations and growth. If the Company is unable to obtain additional financing, the Company would be unable to continue. There can be no assurance that management’s plans will be successful.

The business of mineral exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead, pay its liabilities and maintain its mineral interests. The recoverability of amounts shown for exploration and evaluation properties is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of these exploration and evaluation properties, and establish future profitable production, or realize proceeds from the disposition of exploration and evaluation properties. The carrying value of the Company’s exploration and evaluation properties does not reflect current or future values.

These matters indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern. These condensed consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.



Notes to Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2017 and 2016
(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION

a) Statement of Compliance

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed consolidated financial statements should be read in conjunction with the Company’s audited financial statements for the year ended December 31, 2016, which have been prepared in accordance with IFRS issued by the IASB.

These condensed interim financial statements have been prepared on a historical cost basis. In addition, these condensed consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the December 31, 2016 annual financial report.

b) Approval of Condensed Consolidated financial statements

The condensed consolidated financial statements of the Company for the nine months ended September 30, 2017 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on November 27, 2017.

These condensed consolidated financial statements include the accounts of the Company and its 100% controlled entity, Carlin Gold US Inc. (a Nevada corporation).

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

c) Judgments and estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates where management’s judgment is applied include asset valuation, asset retirement obligations, income taxes, share-based payments and ability to continue as a going concern. Actual results may differ from those estimates and judgements.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has classified its cash as FVTPL; available-for-sale investments, as AFS; and trade payables and accrued liabilities and amounts due to related parties, as other financial liabilities.

Fair value

The carrying values of trade payables and accrued liabilities, and amounts due to related parties all approximate their fair value due to the short-term nature of these financial instruments.

At September 30, 2017 and 2016, the AFS investment is valued using quoted prices (unadjusted) from an active market (Level 1).



Notes to Condensed Consolidated Financial Statements
 For the three and nine months ended September 30, 2017 and 2016
 (Expressed in Canadian dollars)

3. FINANCIAL STATEMENTS AND RISK MANAGEMENT (Continued)

The principal risks to which the Company's financial instruments are exposed are described below.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk on its cash. However, this risk is minimized as all amounts are held with major Canadian and American financial institutions. The Company's concentration of credit risk and maximum exposure thereto is as follows:

	September 30, 2017	December 31, 2016
Cash – Canada	\$ 10,265	\$ 152,692
Cash – USA	5,688	83,931
Total	\$ 15,953	\$ 236,623

b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities.

The Company is dependent on raising funds through the issuance of shares, obtaining debt financing and/or attracting joint venture partners in order to undertake further exploration and development of its mineral properties and finance office and administrative expenditures. There can be no assurance the Company will be able to raise funds in the future.

The Company has a portfolio of investment securities, which are AFS. The Company may, from time to time, liquidate a portion of its holdings depending on market conditions and the Company's cash requirements. Depending on timing, the Company's ability to liquidate these securities is subject to price fluctuations and market conditions, which may affect the Company's ability to liquidate the securities in a timely manner.

At September 30, 2017, the Company had trade payables and accrued liabilities totaling \$36,957 (December 31, 2016-\$36,586), which are due within one year and amounts due to related parties totaling \$36,853 (December 31, 2016-\$59,611).

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.



Notes to Condensed Consolidated Financial Statements
 For the three and nine months ended September 30, 2017 and 2016
 (Expressed in Canadian dollars)

3. FINANCIAL STATEMENTS AND RISK MANAGEMENT (Continued)

(i) Interest rate risk

The Company is not exposed to significant interest rate risk. The Company's bank accounts earn interest at variable rates. Future cash flows from interest income on cash will be immaterially affected by interest rate fluctuations.

(ii) Foreign currency risk

As at September 30, 2017, certain of the Company's financial instruments are held in US dollars. The Company has operations in Nevada, USA. As a result, the Company is exposed to foreign currency risk from fluctuations between the Canadian and US dollar.

The Company does not use derivatives or similar techniques to manage currency risk.

As at September 30, 2017, the Company is not exposed to significant foreign currency risk and the weakening or strengthening of the Canadian dollar against the US dollar would result in an insignificant increase/decrease of comprehensive loss for the period.

(ii) Other price risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from currency risk or interest rate risk. The Company's AFS investments are carried at market value and are, therefore, directly affected by fluctuations in the market value of the underlying securities. The Company's sensitivity analysis suggests that a 40% (2016 - 40%) change in market prices would change other comprehensive income/loss by approximately \$128,000 (2016 - \$48,000).

4. AVAILABLE-FOR-SALE INVESTMENTS

At September 30, 2017 and December 31, 2016, the Company owned the following AFS investment:

	September 30, 2017			December 31, 2016		
	Number of Shares	Cost	Fair Value	Number of Shares	Cost	Fair Value
Constantine Metal Resources Ltd.	1,000,000	-	\$320,000	1,000,000	-	\$120,000

Constantine Metal Resources Ltd. ("Constantine") is related to the Company through two common directors (Mr. K. Wayne Livingstone and Mr. Brian Irwin) and a common officer (Mr. Aris Morfopoulos). The Company's investment in Constantine represents an ownership interest of 0.85% at September 30, 2017 (2016 - 0.86%).

Notes to Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2017 and 2016
(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION PROPERTIES

The following is a summary of the Company's exploration and evaluation properties:

	Cortez Summit	JDS	Willow	Whisky Canyon	Yukon	Total
Balance, December 31, 2015	\$ 1,654,752	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,654,756
Acquisition costs	17,918	15,808	19,697	-	4,620	58,043
Geological	32,208	-	42	47	-	32,297
Writedown of exploration and evaluation property	-	(15,808)	(19,739)	(47)	(4,620)	(40,214)
Balance, December 31, 2016	\$ 1,704,878	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,704,882
Acquisition costs	\$ 1,429	\$ -	\$ -	\$ -	\$ -	\$ 1,429
Geological and maintenance	8,120	20,820	23,821	53	-	52,814
Writedown of exploration and evaluation property	-	(20,820)	(23,821)	(53)	-	(44,694)
Balance, September 30, 2017	\$ 1,714,427	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,714,431

a) Cortez Summit Property, Nevada USA

The Company owns a 100% interest in claims in the Cortez gold trend in Eureka County, Nevada, which were acquired by staking and are not subject to any royalties.

In November 2016, the Company entered into an Exploration and Earn-In agreement with Barrick Gold Corporation ("Barrick") on the Cortez Summit property. Under the terms of the agreement, Barrick has the right to earn a 70% interest in the property by making expenditures totaling US\$5 million by December 31, 2020, of which US\$500,000 was a firm commitment to be completed by September 1, 2017 (incurred). Under the terms of the agreement, upon expenditure by Barrick of US\$5 million, a limited liability company will be formed to own the project with membership interests owned 70% by Barrick and 30% by the Company. In addition to its 30% working interest, the Company will retain a 2% net smelter return royalty on future production. As part of the Exploration and Earn-In agreement, Barrick purchased 6,000,000 units of the Company at \$0.05 per unit, which were issued on November 28, 2016 (Note 6a).

b) Closure costs

The Company has assessed that it does not have any closure costs at this time.

5. EXPLORATION AND EVALUATION PROPERTIES (Continued)

c) Realization of assets

The investment in and expenditures on exploration and evaluation properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or proceeds from their disposal.

Resource exploration and development are highly speculative and contain inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

d) Write-down of exploration and evaluation property costs

During the nine months ended September 30, 2017, the Company incurred costs of \$44,694 (2016 - \$40,214) on exploration properties that have been previously written down for accounting purposes, because they were considered impaired under IFRS, in accordance with Level 3 of fair value hierarchy.

e) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

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

If the restrictions adversely affect the scope of exploration and development on the mineral property interests, the potential for production on the property may be diminished or negated.

f) Title to mineral property interests

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.



Notes to Condensed Consolidated Financial Statements
 For the three and nine months ended September 30, 2017 and 2016
 (Expressed in Canadian dollars)

6. SHARE CAPITAL

a) Authorized: unlimited number of common shares without par value

Issued and outstanding: 88,939,464 (December 31, 2016 – 88,939,464) common shares

On November 28, 2016, the Company completed a non-brokered private placement of \$500,000, consisting of 10,000,000 units at \$0.05 per unit. Each unit consisted of one common share of the Company and one-half of one transferable share purchase warrant of the Company. Each warrant is exercisable to acquire one common share at an exercise price of \$0.10 for a period of two years from the date of closing. The Company incurred share issuance costs of \$19,346 in connection with the private placement.

b) Stock options

The Company has established a share purchase option plan whereby the Board of Directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than five years from the date of grant or such lesser period as determined by the Company's Board of Directors. The exercise price of an option is not less than the closing price of the stock on the last trading day preceding the grant date. The maximum number of options to be granted under this plan is currently 8,893,946.

On September 12, 2017, the Company issued 2,550,000 incentive stock options to directors and employees, which are exercisable for the purchase of 2,550,000 shares of the Company at an exercise price of \$0.08 per share for a period of five years.

A summary of the status of the Company's stock options at September 30, 2017 and December 31, 2016 and changes during the periods then ended are as follows:

	September 30, 2017		December 31, 2016	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of year	7,300,000	\$0.07	1,800,000	\$0.13
Granted	2,550,000	\$0.08	5,500,000	\$0.05
Expired	(1,800,000)		-	-
Outstanding, end of period	8,050,000	\$0.07	7,300,000	\$0.07

Notes to Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2017 and 2016
(Expressed in Canadian dollars)

6. SHARE CAPITAL (Continued)

b) Stock options (continued)

A summary of the Company's stock options as at September 30, 2017 is as follows:

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Number of Options Exercisable (vested)
February 26, 2021	\$0.05	5,500,000	3.65	5,500,000
September 12, 2022	\$0.08	2,550,000	4.95	2,550,000
		8,050,000		

A summary of the Company's stock options as at December 31, 2016 is as follows:

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Number of Options Exercisable (vested)
September 18, 2017	\$0.125	1,400,000	0.46	1,400,000
July 31, 2017	\$0.125	400,000	0.58	400,000
February 26, 2021	\$0.050	5,500,000	4.15	5,500,000
		7,300,000		7,300,000

For the 2,550,000 stock options granted in September 2017, the fair value of each option granted to employees was estimated as at the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions and resulting fair value:

	2017
Risk-free interest rate	1.73%
Expected life of options	5 years
Annualized volatility	75.00%
Dividend rate	0.00%
Grant date fair value	\$ 0.07



Notes to Condensed Consolidated Financial Statements
 For the three and nine months ended September 30, 2017 and 2016
 (Expressed in Canadian dollars)

6. SHARE CAPITAL (Continued)

c) Warrants

A summary of the Company's warrants at September 30, 2017 and December 31, 2016 is as follows:

	September 30, 2017		December 31, 2016	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Outstanding, beginning of year	26,404,467	\$0.16	21,404,467	\$0.16
Issued	-	-	5,000,000	\$0.10
Expired	(21,404,467)	\$0.16	-	-
Outstanding, end of period	5,000,000		26,404,467	

The expiry date of the 5,000,000 warrants exercisable at \$0.10 is November 8, 2018.

7. RELATED PARTY TRANSACTIONS

Key management personnel compensation consists of the Chief Executive Officer, Chief Financial Officer ("CFO") and the Vice-President of Exploration. Aggregate compensation for the nine months ended September 30, 2017 was \$125,227 (2016-\$125,677) for management and other fees, as described below.

The Company paid or accrued a total of \$45,000 (2016-\$45,000) for management and administration services to NS Star Enterprises Ltd., a company controlled by the president, during the nine months ended September 30, 2017. The Company paid or accrued a total of \$45,000 for accounting, management and administration services to Morfopoulos Consulting Associates Ltd., a company controlled by the CFO, during the nine months ended September 30, 2017 (2016-\$45,000). The Company paid or accrued a total of \$35,227 (2016-\$35,677) to Mr. Robert Thomas, Vice-President of Exploration, for technical consulting and management and administration services during the nine months ended September 30, 2017.

As at September 30, 2017, a total of \$16,853 (December 31, 2016-\$63,472) is due to director Mr. Thomas for fees, technical consulting services and expenses incurred on behalf of the Company. As at September 30, 2017, the Company also has \$10,000 in accrued liabilities for accrued management fees from NS Star Enterprises Ltd. (2016-\$57,500) and \$10,000 in accrued liabilities from Morfopoulos Consulting Associates Ltd. (2016-\$37,500). These amounts are unsecured, without interest or stated terms of repayment.

In September 2017, the Company issued 1,400,000 stock options to the above key management, with an aggregate fair value of \$57,653.



Notes to Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2017 and 2016
(Expressed in Canadian dollars)

8. MANAGEMENT OF CAPITAL

The Company manages its common shares, stock options and warrants as capital (Note 6). There has been no change in the nature of the Company's capital during the period ended September 30, 2017. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital restrictions.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, or acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

9. SEGMENTED INFORMATION

The Company has one operating segment: mineral exploration and development. The Company's non-current assets by geographical location are as follows as at the dates shown below:

	September 30 2017	December 31 2016
Canada	\$ 1	\$ 1
United States	1,754,136	1,769,358
Total	\$ 1,754,137	\$ 1,769,359
