



Unaudited Interim Condensed Financial Statements

**For the three and nine months ended
June 30, 2018 and 2017**



MANAGEMENT'S RESPONSIBILITY FOR INTERIM FINANCIAL REPORTING

The accompanying interim condensed financial statements of Claim Post Resources Inc. (the "Company") are the responsibility of management and the Board of Directors of the Company.

The unaudited interim condensed financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim condensed financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the unaudited interim condensed financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") using accounting policies consistent with IFRSs appropriate in the circumstances.

The Board of Directors is responsible for reviewing and approving the unaudited interim condensed financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim condensed financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim condensed financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Lowell Jackson"
Interim President, Executive Chairman and Director

"Arvin Ramos"
Chief Financial Officer

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the unaudited interim condensed financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management.

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



Interim Condensed Statements of Financial Position

(Expressed in Canadian Dollars)

As at	June 30, 2018 (Unaudited)	September 30, 2017 (Audited)
	\$	\$
Assets		
Current Assets		
Cash (Note 6)	65,342	534,981
Receivables and other assets (Note 7)	41,452	69,878
	106,794	604,859
Liabilities		
Current Liabilities		
Trade and other payables (Notes 8, 10)	69,862	236,861
Convertible debenture (Note 11)	-	3,179,604
	69,862	3,416,465
Shareholders' Deficit		
Capital stock (Note 12)	9,933,771	6,532,957
Share-based payments reserve	1,233,118	498,938
Deficit	(11,129,957)	(9,843,501)
	36,932	(2,811,606)
Total Liabilities and Shareholders' Deficit	106,794	604,859

Nature of Operations and Going Concern (Note 1)
 Commitments and Contingencies (Note 14)
 Subsequent Events (Notes 3 and 15)

Approved by the Board of Directors

"Richard Williams"
 Director

"John Assman"
 Director

The accompanying notes are an integral part of these Unaudited Interim Condensed Financial Statements.



Interim Condensed Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended June 30, 2018	Three months ended June 30, 2017	Nine months ended June 30, 2018	Nine months ended June 30, 2017
	\$	\$	\$	\$
Administrative Expenses				
Professional fees (Note 9)	71,533	73,847	371,709	209,535
General and administrative	13,043	38,751	70,525	109,825
Share-based payments (Note 12)	-	-	734,180	-
Accretion	-	1,571	-	1,571
Shareholders' information	2,288	17,891	21,590	32,800
Investor relations and travel	12,031	1,663	16,717	8,325
Total Administrative Expenses	(98,895)	(133,723)	(1,214,721)	(362,056)
Exploration and evaluation expenditures (Note 3)	(81,327)	(26,504)	149,475	(124,215)
Change in fair value of convertible debenture (Note 11)	(67,694)	-	(221,210)	-
Net loss and comprehensive loss for the period	(247,916)	(160,227)	(1,286,456)	(486,271)
Loss per share - basic and diluted	\$ (0.002)	\$ (0.001)	\$ (0.010)	\$ (0.004)
Weighted average number of shares outstanding – basic and diluted	137,802,053	124,883,908	131,897,676	124,830,967

The accompanying notes are an integral part of these Unaudited Interim Condensed Financial Statements.

Interim Condensed Statements of Changes in Equity
 (Expressed in Canadian Dollars)
 (Unaudited)

	Capital Stock		Shares To Be Transferred		Reserves			Total
	Number of shares	Amount	Number of shares	Amount	Share-based payments	Warrants	Deficit	
Balance at October 1, 2016	124,083,908	\$6,475,457	1,500,000	\$ 37,500	\$ 498,938	\$ 3,422,965	\$(11,713,828)	\$(1,278,968)
Shares issued for property option payments (Note 3, 12)	800,000	20,000	-	-	-	-	-	20,000
Reserve transferred on expired warrants	-	-	-	-	-	(3,422,965)	3,422,965	-
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(486,271)	(486,271)
Balance at June 30, 2017	124,883,908	\$6,495,457	1,500,000	\$ 37,500	\$ 498,938	\$ -	\$ (8,777,134)	\$(1,745,239)
Shares issued for property option	1,500,000	37,500	(1,500,000)	(37,500)	-	-	-	-
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(1,066,367)	(1,066,367)
Balance at September 30, 2017	126,383,908	\$6,532,957	-	\$ -	\$ 498,938	\$ -	\$ (9,843,501)	\$(2,811,606)
Shares issued on convertible debt conversion (Note 11)	61,832,991	3,400,814	-	-	-	-	-	3,400,814
Share-based payments (Note 12)	-	-	-	-	734,180	-	-	734,180
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(1,286,456)	(1,286,456)
Balance at June 30, 2018	188,216,899	\$9,933,771	-	\$ -	\$ 1,233,118	\$ -	\$(11,129,957)	\$ 36,932

The accompanying notes are an integral part of these Unaudited Interim Condensed Financial Statements.



Interim Condensed Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

<i>Nine months ended June 30,</i>	2018	2017
Operating activities	\$	\$
Net loss for the period	(1,286,456)	(486,271)
Items not involving cash:		
Share-based payments	734,180	-
Change in fair value of debenture	221,210	-
Shares issued for property option payments	-	20,000
Interest accrued on loans from related parties	-	27,209
Accretion expense	-	1,571
	(331,066)	(437,491)
Change in non-cash working capital:		
Receivables and other assets	28,426	(9,140)
Trade and other payables and property tax payable	(166,999)	211,337
	(469,639)	(235,294)
Financing activities		
Repayment of loans from related parties	-	(783,345)
Proceeds from loans from related parties	-	390,200
Proceeds from convertible debenture, net of financing costs	-	2,871,271
	-	2,478,126
Decrease in cash	(469,639)	2,242,832
Cash at beginning of period	534,981	15,761
Cash at end of period	65,342	2,258,593

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash interest paid	-	-
Common shares issued on convertible debt conversion	3,400,814	-
Common shares issued for property (<i>Note 3, 12</i>)	-	20,000

The accompanying notes are an integral part of these Unaudited Interim Condensed Financial Statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Claim Post Resources Inc. (the "Company" or "Claim Post") was incorporated on September 21, 2005 under the laws of the Province of Ontario.

The Company's head office is located at 130 Adelaide Street West, Toronto, ON, Canada, M5H 3P5. The Company is an exploration stage company whose current focus is the silica sand quarry near Winnipeg, Manitoba. Substantially all of the Company's efforts are devoted to financing and developing these properties. There has been no determination whether the Company's interests in mineral properties contain mineral reserves which are economically recoverable.

The Company's common shares trade on the TSX-V under the trading symbol "CPS". The Company is a reporting issuer in the provinces of Ontario, Alberta and British Columbia.

As at June 30, 2018, the Company had working capital of \$36,932 (September 30, 2017 – a working capital deficiency of \$2,811,606), had not yet achieved profitable operations, had accumulated losses of \$11,129,957 (September 30, 2017 - \$9,843,501) and expects to incur future losses in the development of its business. These unaudited interim condensed financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

The Company has historically relied on equity financing to raise capital and future raises may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions may impact the Company's viability given its current capital structure and considers that until the outcome of future activities is known there is significant doubt about the Company's ability to continue as a going concern.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in significant dilution to the shareholders of the Company.

Management plans to secure the necessary financing through the issuance of new equity or debt instruments or through entering into joint venture arrangements. Nevertheless, there is no assurance that these initiatives will be successful.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unaudited interim condensed financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These unaudited interim condensed financial statements were authorized for issuance by the Board of Directors of the Company on August 28, 2018.

2.2 Basis of presentation and functional and presentation currency

These unaudited interim condensed financial statements have been prepared under the historical cost basis, except for certain assets which are measured at fair value as explained in the accounting policies set out in Note 3 of the Company’s annual audited financial statements for the years ended September 30, 2017 and 2016. In addition, these unaudited interim condensed financial statements have been prepared using the accrual basis of accounting except for cash flow information. Management advises readers of these unaudited interim condensed financial statements to review the audited financial statements and accompanying notes for the years ended September 30, 2017 and 2016 in conjunction with the review of these statements.

The Financial Statements are presented in Canadian Dollars, which is also the functional currency of the Company.

2.3 Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates and judgments relate to, but are not limited to, the following:

- accounting for convertible debenture as a hybrid investment measured at fair value;
- accounting policy for exploration and evaluation expenditures as an expense;
- ownership and control of property requires the use of judgment; and
- assessment of the going concern assumption as detailed in Note 1 to the financial statements.

2.4 Adoption of new and revised standards and interpretations

Adoption of new and revised standards and interpretations

No new relevant standards were applied for the first time during the period ended June 30, 2018.

Future accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee (“IFRSIC”) that are mandatory and would be applicable to Claim Post for annual periods on or after October 1, 2017. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

2. BASIS OF PREPARATION (continued)
2.4 Adoption of new and revised standards and interpretations (continued)
Future accounting pronouncements (continued)

- IFRS 9 – Financial instruments (“IFRS 9”), was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. A new hedge accounting model is introduced and represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. The Company assessed the new standard and there will be no significant impact to the financial statements when adopted.
- IFRS 16 – Leases – The standard was issued by the IASB on January 13, 2016, and will replace IAS 17, “Leases”. IFRS 16 will bring most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and financing leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The new standard is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted if IFRS 15 has also been applied. The Company is assessing the impact of this standard on the Company’s financial statements.

3. EXPLORATION AND EVALUATION EXPENDITURES

The exploration and evaluation expenditures of the Company are detailed as follows:

	Three months ended		Nine months ended		Cumulative to date
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017	
	\$	\$	\$	\$	\$
Seymourville Frac Sand Project	81,327	29,221	196,404	72,485	4,734,613
Timmins Area Project Claims	-	(2,717)	(345,879)	51,730	3,876,929
Exploration and evaluation costs	81,327	26,504	(149,475)	124,215	8,611,542

	For the three months ended June 30,		For the nine months ended June 30,	
	2018	2017	2018	2017
Acquisition costs	\$ 50,000	\$ -	\$ 100,000	\$ 42,760
Sale of Timmins property	-	-	(350,000)	-
Consulting	18,000	18,000	54,000	54,000
Field offices	-	-	2,000	4,529
Metallurgical work	-	-	26,758	-
Assays	-	-	9,868	-
Other exploration and evaluation	13,327	8,504	7,899	22,926
	\$ 81,327	\$ 26,504	\$ (149,475)	\$ 124,215

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The Seymourville Frac Sand Project

Seymourville Property

In April 2013, the Company completed the 100% acquisition of nine contiguous silica sand quarry leases (the "Seymourville Property"), pursuant to a Letter of Intent ("LOI") announced on August 27, 2012 with Char-Crete Ltd. ("Char Crete"), a private company. Under the agreement, Claim Post acquired a 100% interest in the Seymourville Property by incurring a total of \$1,500,000 in cash payments. The property encompasses approximately 428 hectares (1,050 acres), which is subject to certain production royalties. The property is near Seymourville, 200 km north-east of Winnipeg, Manitoba, Canada.

In addition to the cash payments, the vendor is entitled to receive royalty payments in the event that the project reaches the production stage, and these are payable within 90 days after each three (3) month period ending March 31st, June 30th, September 30th and December 31st of each calendar year as follows:

1. On frac sand sold:
 - \$1.00 per tonne on frac sand from the Seymourville Property
 - \$1.00 per tonne on frac sands from any newly staked properties within a 10 km radius of the Seymourville Property (excluding lands of Native Groups)
 - Royalty payments will only be made on tonnes of frac sand that is sold, delivered and paid for, not on frac sand that is stockpiled or in transit
2. On pit sand, gravel, rock, kaolinite or clay:
 - \$0.50 per tonne on such products from the Seymourville Property
 - \$0.50 per tonne on such products from any newly staked properties within a 10 km radius of the Seymourville Property (excluding lands of Native Groups)
 - Royalty payments will only be made on tonnes sold, delivered and paid for, not stockpiled or in transit
3. On foundry sands, smelter flux, glass and similar products:
 - \$0.50 per tonne on such products from the Seymourville Property
 - \$0.50 per tonne on such products from any newly staked properties within a 10 km radius of the Seymourville Property (excluding lands of Native Groups)
 - Royalty payments will only be made on tonnes sold, delivered and paid for; not stockpiled or in transit

On July 5th, 2013 Claim Post received notice from legal counsel for Simmons Construction Limited ("Simmons Group") requesting information on the purchase of leases from Char Crete in connection with the Seymourville Property. The notice indicated that Simmons Group, acting on its own behalf and as agent for others, holds a debenture from Char Crete that creates a security interest in the undertaking and all the assets of Char Crete. The Simmons Group claim purports to include the nine quarry leases purchased by Claim Post. The total principal amount of the debenture on all Char Crete assets is \$1,243,458.

The Simmons Group registered its security interest under the Manitoba Personal Property Security Act on January 15, 2013. The Simmons Group debenture was executed on November 29, 2012. Accordingly, Claim Post takes the position that the Simmons Group security interest did not attach to the Char Crete quarry leases as they were not owned by Char Crete as at the date of the debenture registration. In July 2013, the Company initiated legal proceedings to enforce the Char Crete Agreement and has brought an application for a determination and a declaration as to the ownership of said leases.

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The Seymourville Frac Sand Project (continued)

Seymourville Property (continued)

On January 13, 2017 the Company received permission to conduct exploration activities on the nine quarry leases which remain registered under Char Crete Ltd. ("Char Crete") due to the above legal issues. Claim Post was able to conduct exploration activities on the Char Crete leases including obtaining work permits to line cut and drill and conduct other general exploration. Char Crete had no objection to these proposed activities and agreed to assist and co-operate in obtaining permission from the various Manitoba Ministries and Agencies, including Conservation, Mines Branch and others to undertake these activities by submitting written applications and other documents.

On May 28, 2018, the Company announced that it has acquired title to and control over nine quarry leases from a number of third parties, including Char Crete Ltd., Simmons Construction Ltd. and O/S Investment Corp. for a total investment of \$1.3 million. These leases are directly adjacent to Claim Post's existing quarry leases, consolidating Claim Post's strategic control over the Tier 1 Frac Sand deposit at Seymourville, Manitoba. The Company made payment of \$1.3 million on August 3, 2018 and Title to the said claims have been transferred to Claim Post. Upon Claim Post attaining commercial production of frac sand, Claim Post is entitled to recover its payment plus interest at 9%, compounded annually before the production royalty commences. The terms of the production royalty remain unchanged from those contained in the previously disclosed arrangement with respect to these leases.

Manigotagan Property

On June 18, 2013, the Company entered into an agreement, subsequently amended June 23, 2015, to purchase the Manigotagan Frac Sand Project ("Manigotagan Property") from Gossan Resources Limited GSS-V ("Gossan"). The property encompasses nine quarry leases (306 hectares) and is contiguous to Claim Post's wholly-owned Seymourville Property (428 hectares).

The total payable to Gossan for the purchase of the Manigotagan Property was as follows:

1. 1,000,000 common shares of Claim Post or \$50,000, at Claim Post's sole discretion on signing the Agreement (shares issued);
2. 2,000,000 common shares of Claim Post or \$200,000, at Claim Post's sole discretion on or before December 18, 2013, which is 6 months after the signing of the Agreement (shares issued);
3. \$350,000 payable June 18, 2014, which was 12 months after the signing of the Agreement; (paid)
4. \$350,000 payable December 18, 2014, which was 18 months after the signing of the Agreement; (paid)
5. During 2015, the Company amended the Agreement to extend the due date of the \$430,000 payment for 6 months to December 18, 2015 subject to interest at 1% per month, and a payment of 1,000,000 common shares (shares issued) as well as an increase in the advance royalty provisions. Under the terms of an amended agreement, an initial annual advance royalty payment of \$50,000 payable commencing as of June 18, 2016, now becomes a semi-annual advance royalty payment of \$50,000 payable commencing as of December 18, 2015.

On September 13th, 2017, the Company made the required payments as outlined in the amended agreement and has now acquired 100% interest in the Manigotagan Property.

By purchasing the Manigotagan Property, Claim Post is obligated to pay a Royalty Interest (the "Royalty") to Gossan in the amount of \$1.00 dollar per tonne of frac sand plus \$0.50 per tonne for other silica sand or clay products sold from the Manigotagan Property in the event that the project reaches the production stage. Claim Post can acquire 50% of the Royalty for \$1,500,000 any time after the Company completes the property payments.

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The Seymourville Frac Sand Project (continued)

Manigotagan Property (continued)

On July 13, 2015, the Company announced that it had signed a Memorandum of Understanding ("MOU") with both Hollow Water First Nation ("Hollow Water") and the Incorporated Community of Seymourville ("Seymourville") regarding the Seymourville Silica Sand Project, that will pave the way for long-term economic benefits for these communities and residents of the surrounding areas. Under the MOUs, Claim Post recognizes and respects Aboriginal and Treaty rights and interests in the area of the Seymourville Silica Sand Project.

Timmins Area Project Claims

On December 22, 2017 the Company closed a definitive purchase and sale agreement (the "Agreement") to sell its Timmins mineral exploration properties to Central Timmins Exploration Corp. ("CTEC"), for a cash consideration payable at closing of \$350,000 and a Net Smelter Royalty (the "NSR") payable to Claim Post that varies from 1% to a maximum of 2%, depending upon the claims and the pre-existing NSR burden. The NSR provides CTEC the option to buy Claim Post's NSR for cash consideration of \$1,500,000 within 24 months of closing, and if the buyout is not fully exercised, the NSR payable to Claim Post is capped at \$5,000,000 total, proceeds net (excluding any buy out payments) to Claim Post. The transaction closed on January 8, 2018 and funds were received from CTEC. The transaction was subject to regulatory and third party approvals, which were subsequently received, and customary conditions precedent. No finder's fees were payable in connection with the transaction.

The Company determined that the transaction is considered to be a related party transaction (see Note 10) as defined by Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101") as the Company's former President and a director, Charles Gryba, informed Claim Post that he has a business relationship with certain of the principal shareholders of CTEC and has become a director and a shareholder of CTEC on completion of the transaction.

This strategic, non-core, asset sale is the culmination of the previously announced review process to maximize the value of its legacy mining assets in order to focus on the development of its Seymourville frac sand deposit. The transaction will allow Claim Post to focus and drive forward with the development of the Tier 1 frac sand project in Manitoba.

Claim Post Resources held a total of 330 claims in the Porcupine Mining District ("The Timmins Area Project"), of which 63 are patented claims included in the Dayton Porcupine Claims Project and the Racetrack Property Option.

The Timmins Area Project staked claims are 267 claim units (2016 - 323 claim units). 154 staked claim units are located in the Godfrey, Turnbull, Jamieson, Robb and Mountjoy Townships, of which 130 claim units are specifically in Mountjoy Township ("The Mountjoy Project"); 30 staked claim units specifically in the Deloro Township ("the Lynx Project"), and; 83 staked claim units in Ogden Township.

Racetrack Property Option

On September 13, 2010 the Company entered into a sub-option agreement to earn up to a 100% interest in 112 claim units and 12 patented claims (Racetrack Property Option) from Electra Gold Ltd. The Racetrack Property Option includes mineral rights which have been optioned by Electra Gold Ltd. from two third parties. The claims are in Ogden Township and added to Claim Post's 100% owned Dayton Porcupine Claims located near Timmins, Ontario.

Under the option agreement, Claim Post was the operator of the Racetrack Property and had earned a 50% interest in the 112 units or claims by incurring a total of \$20,000 in cash payments, the issuance of 700,000 shares of the Company, plus incurring \$120,000.

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Timmins Area Project Claims (continued)

Racetrack Property Option (continued)

On June 10, 2016 the Company signed an amending agreement to earn the remaining 50% interest in the Racetrack Property Option by issuing 1,500,000 Claim Post shares with a fair value of \$0.025 per share. Claim Post issued the shares from Treasury on June 23, 2016 and delivered the shares to Electra Gold upon transfer of title to the property to Claim Post on July 21, 2017. Claim Post acquired 100% interest in the Racetrack Property.

The Racetrack claims are subject to underlying NSR royalties with royalty buyout clauses. The staked units have a 2% NSR royalty, with a \$1 million dollar buyout for 1% NSR, and the 12 patented claims have a 3% NSR royalty with a \$1 million dollar buyout of 2% NSR.

Dayton Porcupine Claims Project

On May 10, 2010, the Company completed the acquisition of a 100% interest in 49 patented claims in Deloro and Ogden Townships, south of Timmins. The purchase price was \$5,000 cash, plus one million (1,000,000) common shares of the Company at a price of \$0.25 per share for 100% ownership of both the patented surface rights and patented mining rights, subject to an aggregate total 3% Net Smelter Royalty ("NSR"). On acquisition of the claims, the Company had also assumed the liability of approximately \$257,000 in property taxes on the patented surface rights that are in arrears to the Township.

In August 2013, the Company received notice from the City of Timmins that failure to pay the property taxes in arrears would result in loss of the surface rights of the property. Claim Post management determined to forfeit the surface rights. The Company still held and will maintained the underlying, patented mineral rights to these claims, of which taxes are fully paid and up to date. In September 2017, it was confirmed by the City of Timmins that some of these properties are no longer registered in Claim Post's name and the outstanding tax balance of \$309,846 has been eliminated on Claim Post's Statement of Financial Position.

On October 13, 2016, the Company completed the acquisition 100% interest of twenty three (23) claim units in Deloro Township. Under the terms of the Agreement, the Company made a cash payment of 5,000 and issued 400,000 common shares of the Company.

On October 18, 2016, the Company completed the acquisition 100% interest of forty eight (48) claim units in Godfrey Township. Under the terms of the Agreement, the Company made a cash payment of \$7,500 and issued 400,000 common shares of the Company. Upon commencement of commercial production, a two per cent (2%) Net Smelter Returns (the "NSR Royalty") is payable, of which one per cent (1%) may be purchased back at any time for a cash payment of \$1,000,000.

4. CAPITAL MANAGEMENT

The Company includes shareholders equity (deficit) in the definition of capital.

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 and to ensure it continues as a going concern. 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.

All of the properties in which the Company currently has an interest are in the exploration stage with no operating revenues; 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 will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if management feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

4. CAPITAL MANAGEMENT (continued)

The Company has historically relied on equity financing to raise capital and will continue its attempts to do so. Although Claim Post was successful in securing debt and equity financing in recent periods, there is no guarantee that future fund-raising attempts will be equally successful.

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 AND MANAGEMENT OF FINANCIAL AND OTHER RISK

The Company classifies financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

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.

Cash is classified as level 1.

The selection of assumptions of settlement were made based on a weighting of possible settlement outcomes.

The Company's financial instruments are exposed to financial and other risks as summarized below:

Fair value

As at June 30, 2018, the carrying value approximates the fair value amounts of the Company's cash and trade and other payables.

Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price if one exists.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

i) Credit risk

The Company's credit risk is primarily attributable to cash and receivables and other assets included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consists of bank deposits, which are held by a Canadian chartered bank, and management believes the risk of loss is remote. The Company's receivables and other assets are normally collected within a 60-90 day period. The Company has not experienced any significant collection issues to June 30, 2018.

The Company's maximum exposure to credit risk as at June 30, 2018 is the carrying value of cash.

5. FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL AND OTHER RISK (continued)
ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and ensuring an adequate supply of funds to enable the Company to carry out its intended programs. As at June 30, 2018, the Company had a cash balance of \$65,342 (September 30, 2017 - \$534,981) to settle current liabilities of \$69,862 (September 30, 2017 - \$3,416,465). As such, liquidity risk for the Company should be considered high. All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms.

As at June 30, 2018, the Company had working capital of \$36,932 (September 30, 2017 – working capital deficiency of \$2,811,606). The deficiency in working capital in 2017 was due to the Convertible Debenture being classified as a current liability. In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that Claim Post will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of Claim Post may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

iii) Interest rate risk

The Company's interest rate risk related to interest-bearing obligations and deposits is as follows:

The interest incurred on the convertible debentures is at a fixed interest rate and therefore not exposed to changes in market interest rates. The fair value of fixed-rate debt fluctuates with changes in the market interest rate but the related future cash flows do not change.

The Company was subject to interest charges of 1% per month on an outstanding property payment (Note 3, Manigotagan Property). The Company was subject to interest rate risk on the outstanding loan given that the rate was tied to the prime interest rate set by major banking institutions, which is subject to change without notice. Interest rate risk on the outstanding property payment is considered to be minimal since the rate is fixed at 1% per month.

6. CASH

The cash balance at June 30, 2018, consists of \$65,342 (September 30, 2017 - \$534,981) on deposit with a major Canadian bank.

7. RECEIVABLES AND OTHER ASSETS

The Company's receivables and other assets arise from two main sources: 1) prepaid expenses; and 2) harmonized sales tax ("HST") receivable from government taxation authorities. These are broken down as follows:

As at	June 30, 2018	September 30, 2017
Prepaid expenses	\$ 27,690	\$ 18,289
HST receivable	13,762	51,589
Total receivables and other assets	\$ 41,452	\$ 69,878

Three and Nine months Ended June 30, 2018 and 2017

8. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following is an aged analysis of the trade and other payables:

As at	June 30, 2018	September 30, 2017
Less than 1 month	\$ 46,980	\$ 23,989
Over 3 months	22,882	212,872
Total trade and other payables	\$ 69,862	\$ 236,861

9. KEY MANAGEMENT COMPENSATION

The remuneration of directors and other members of key management personnel during three and nine months June 30, 2018 and 2017 were as follows:

	Three months ended June 30,		Nine months ended June 30,	
	2018	2017	2018	2017
Management and consulting fees	\$ 1,500	\$ 31,500	\$ 54,078	\$ 94,500

In accordance with IAS 24, Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

10. DUE TO RELATED PARTIES AND RELATED PARTY TRANSACTIONS

As at June 30, 2018, the trade and other payables balance includes related party amounts of \$10,659 (September 30, 2017 - \$172,432). The related parties are directors and officers of the Company and entities over which executive management and directors have control or significant influence. The amounts are for services rendered during the year and arose as a result of transactions entered into with the related parties in the ordinary course of business.

The Company incurred \$33,828 (2017– \$nil) in legal fees to a firm where an officer is a partner.

On June 21, 2017 closed a non-brokered private placement of unsecured convertible debentures (see Note 11), for total proceeds of \$3,093,000 of which \$1,055,000 was received from directors of the Company.

On December 22, 2017 Company closed a definitive purchase and sale agreement (the "Agreement") to sell its Timmins mineral exploration properties to Central Timmins Exploration Corp. ("CTEC"), for a cash consideration payable at closing of \$350,000 and a Net Smelter Royalty (the "NSR") payable to Claim Post (see Note 3).

The Company determined that the transaction is considered to be a related party transaction as defined by Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions ("MI 61-101") as the Company's former President and a director, Charles Gryba, informed Claim Post that he has a business relationship with certain of the principal shareholders of CTEC and has become a director and a shareholder of CTEC on completion of the transaction.

11. CONVERTIBLE DEBENTURES

On June 21, 2017 the Company closed a non-brokered private placement of unsecured convertible debentures for total gross proceeds of up to \$3,093,000 at a price of \$1,000 and integral multiples thereof per Debenture (the "Offering"). The Debentures had an interest rate of 10% per annum, compounded quarterly from their date of issuance and payable in arrears on maturity. The Debentures had a mature date that was one (1) year from the date of issuance. In lieu of a cash repayment on the Maturity Date, the Company had the option to pay all or any portion of the principal and/or accrued interest by issuing common shares to the holders of Debentures at a deemed price of \$0.055 per Common Share.

The holders of the Debentures had the option at any time prior to the earlier of the Maturity Date, a "change of control" of the Company or the business day immediately preceding the date specified by the Company for redemption of the Debentures to convert the principal amount of some or all of the Debentures and accrued interest thereon into Common Shares at a conversion price of \$0.055 per Common Share. Prior to the Maturity Date, the Company could at any time following the completion of a separate financing of at least \$2 million for the purpose of developing the Company's Seymourville Silica Sand Project at its option redeem all, or any portion of the principal and accrued interest on the Debentures at a cash price equal to all outstanding principal and accrued interest under each Debenture plus a redemption premium equal to either: (i) an additional 5% of the principal sum if the redemption occurs within three months from the date of issuance of the Debentures; or (ii) an additional 3% of the principal sum if the redemption occurred after three months from the date of issuance of the Debentures.

The net proceeds of the Offering were used for the early repayment of existing related party loans owed by the Company in the aggregate amount of \$779,345, the final payment to a third party on a quarry lease on the Company's Seymourville Frac Sand Project and for general working capital purposes.

Directors of the Company; Charles Gryba, Lowell Jackson, John Assman, Richard Williams and Thomas MacInnis participated in the Offering in the aggregate amount of \$1,055,000, thereby making the Offering a related party transaction (see Note 10).

The Company paid a finder's fee in the amount of \$180,000 and \$41,729 in legal fees in connection with the issuance of the Debentures under the Offering. The Debentures and the Common Shares issuable upon conversion of the Debentures were subject to a statutory hold period expiring on the date that was four months and one day after closing.

The convertible debenture represents a hybrid instrument that contains a host debt contract and an embedded derivative liability. The Company has designated the entire hybrid instrument as a financial liability at fair value through profit or loss. The hybrid instrument was valued upon the initial measurement date and at each subsequent financial position reporting date.

On the date of issuance, June 21, 2017, the fair value on initial recognition of the convertible instrument was equal to the transaction price of \$3,093,000 in cash consideration.

As at June 30, 2018, the fair value of the convertible instrument was \$nil (September 30, 2017 - \$3,179,604), resulting in a change of (\$3,179,604) comprised \$221,210 of accrued interest and the debt conversion of (\$3,400,814) (September 30, 2017 - \$86,604 accrued interest).

During the nine months ended June 30, 2018, the Company converted an aggregated amount of \$3,400,814 representing \$3,093,000 of the outstanding convertible debentures plus \$307,815 in accrued interest and issued 61,832,991 shares at a price of \$0.055 per share. (See Note 12)

12. CAPITAL STOCK

(a) Authorized

As at June 30, 2018 and September 30, 2017 the Company's authorized number of common shares was unlimited and without par value.

12. CAPITAL STOCK (continued)
(b) Issued

	Number of Shares	Amount
Balance at October 1, 2016	124,083,908	\$6,475,457
Shares issued for property option payment	2,300,000	57,500
Balance at September 30, 2017	126,383,908	\$6,532,957
Shares issued convertible debt conversion	61,832,991	3,400,814
Balance at June 30, 2018	188,216,899	\$9,933,771

On June 23, 2016 the Company issued 1,500,000 shares from treasury to earn the remaining 50% interest in the Racetrack Property. See Note 3 for details. On July 21, 2017 Claim Post was delivered title to the property and the shares were delivered to Electra Gold.

On October 13, 2016, the Company issued 400,000 common shares of the Company to acquire 100% interest of twenty three (23) claim units in Deloro Township. See Note 3 for details.

On October 18, 2016, the Company issued 400,000 common shares of the Company to acquire 100% interest of forty eight (48) claim units in Godfrey Township. See Note 3 for details.

On January 10, 2018, the Company converted an aggregated amount of \$266,244 representing \$252,000 of the outstanding convertible debentures plus \$14,244 in accrued interest and issued 4,840,799 shares at a price of \$0.055 per share.

On March 9, 2018, the Company converted an aggregated amount of \$53,663 representing \$50,000 of the outstanding convertible debentures plus \$3,663 in accrued interest and issued 975,696 shares at a price of \$0.055 per share.

On June 21, 2018 the Company converted an aggregated amount of \$3,080,907 representing \$2,791,000 of the remaining outstanding convertible debentures plus \$289,907 in accrued interest and issued 56,016,496 shares at a price of \$0.055 per share.

(c) Stock Options
Stock Option Plan

The Company maintains a stock option plan (the "Stock Option Plan") which was approved by the shareholders of the Company. The Stock Option Plan is a "rolling" plan under which up to 10% of the issued and outstanding Common Shares of the Company from time to time, subject to adjustment in certain circumstances, may be issued.

In the event that no specific determination is made by the Board with respect to any of the following matters, the period during which an option shall be exercisable shall be five years from the date of grant, except those options issued to persons or consultants employed in Investor Relation activities shall vest in stages over 12 months with no more than one quarter of the options vesting in any three-month period.

The purpose of the Stock Option Plan is to develop the interest of bona fide officers, directors, employees, management company employees, and consultants of the Company in the growth and development of the Company by providing them with the opportunity through stock options to acquire an increased proprietary interest in the Company.

All outstanding options have been expensed as share-based payments in the period in which they vested. At June 30, 2018, 11,550,000 (September 30, 2017 – 3,550,000) options were outstanding and exercisable and have a weighted average exercise price of \$0.09 (September 30, 2017 – \$0.10) per option.

On January 23, 2018, 800,000 Options expired unexercised.

12. CAPITAL STOCK (continued)
(c) Stock Options (continued)
Stock Option Plan (continued)

A summary of stock options issued and outstanding is as follows:

As at	June 30, 2018		September 30, 2017	
	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price	Number of Options
Outstanding at beginning of period/year	\$ 0.100	3,550,000	\$ 0.100	3,550,000
Transactions during the period/year:				
Granted	0.085	8,800,000	-	-
Expired	0.100	(800,000)	-	-
Outstanding at end of period/year	0.009	11,550,000	0.100	3,550,000
Exercisable at end of period/year	\$ 0.009	11,550,000	\$ 0.100	3,550,000

Share-based payments

On January 24, 2018, the Company granted options to acquire an aggregate of 7,800,000 common shares of the Company at an exercise price of \$0.085 per share until January 24, 2021. 1,800,000 options were granted to the Company's Executive Chairman and Interim President and 1,500,000 options were granted to each of the other directors. The options are exercisable over a 3 year period ending January 24, 2021, with one-third of the options vesting immediately, one-third vesting on the first anniversary date of the grant, and one-third on the second anniversary date of the grant.

On February, 12, 2018, the Company announced the appointment of Mr. Robert (Bob) D. Archibald as Chief Operating Officer of the Company. He is also a Qualified Person as defined by National Instrument 43-101. The Company has granted him options to acquire 1,000,000 common shares in the capital of the Company at an exercise price of \$0.085 per Share until February 12, 2021. The options are exercisable over a three year period ending February 12, 2021, with one-third of the options vesting immediately, one-third vesting on the first anniversary date of the grant, and one-third on the second anniversary date of the grant.

The weighted average remaining contractual life of the options outstanding at year end is 1.750 years (September 30, 2017 – 0.69 years).

The following table summarizes the assumptions used with the Black-Scholes valuation model for stock options issued and outstanding as at June 30, 2018:

Grant date	January 24, 2018	February 12, 2018	Total
No. of options	7,800,000	1,000,000	8,800,000
Exercise price	\$ 0.085	\$ 0.085	
Expected life in years	3	3	
Volatility	210.00%	210.00%	
Risk-free interest rate	2.05%	2.06%	
Dividend yield	-	-	
Vesting	100%	33.33%	
Grant date share price	\$0.09	\$0.09	
Remaining contractual life	2.82	2.87	
Fair value of options granted	\$ 650,761	\$ 83,419	\$ 734,180

12. CAPITAL STOCK (continued)
(c) Stock Options (continued)
Stock Option Plan (continued)
Share-based payments (continued)

Option pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Volatility is based on the historical volatility of the Company. Changes in the underlying assumptions can materially affect the fair value estimates.

Options issued to non-employees were valued using the fair value of the equity instrument granted in the absence of a reliable estimate of the fair value of the goods or services received.

13. WARRANT RESERVE

A summary of the changes in the Company's reserve for warrants is set out below:

As at	June 30, 2018		September 30, 2017	
		Number of Warrants		Number of Warrants
Outstanding at beginning of year/period	\$ -	-	\$ 3,422,965	43,310,933
Transactions during the year/period:				
Exercised	-	-	-	-
Expired	-	-	(3,422,965)	(43,310,933)
Outstanding at end of year/period	\$ -	-	\$ -	-

The weighted average exercise price per warrant of the outstanding warrants as at June 30, 2018 was \$nil (September 30, 2017 – \$nil).

Option pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Volatility is based on the historical volatility of the Company. Changes in the underlying assumptions can materially affect the fair value estimates.

Broker warrants issued to non-employees were valued using the fair value of the equity instrument granted in the absence of a reliable estimate of the fair value of the goods or services received.

14. COMMITMENTS AND CONTINGENCIES

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company is committed to monthly payments under the terms of operating agreements for the office space and management and consulting fees. The aggregate remaining payments per year are as follows:

2018	\$ 64,384
2019	\$ 33,575
2020	\$ 28,313

See Note 3 for additional commitments.

15. SUBSEQUENT EVENTS

On July 19, 2018 450,000 Stock Options were exercised \$0.10 per share and the Company issued 450,000 common shares at for net proceeds of \$45,000.

On July 19, 2018 2,300,000 Stock Options expired unexercised.

On August 2, 2018 the Company announced that it has completed a non-brokered private placement of 130 million common shares priced at \$0.10 per share for total proceeds of \$13 million. The previously announced private placement was increased in size by \$3 million in order to accelerate the development of the Company's silica sand deposit and as a result of significant interest from high quality and strategic shareholders.

The net proceeds of the Offering will be utilized to pursue the expeditious development of the Company's significant surface silica sand deposit at Seymourville, Manitoba.

As part of the Offering, Paramount Resources Ltd. ("Paramount") acquired 41,390,909 Common Shares of Claim Post which represents approximately 13.1% of the issued and outstanding Common Shares of the Company. Paramount is an independent, publicly traded, liquids-focused Canadian energy company that explores for and develops both conventional and unconventional petroleum and natural gas resources, including long-term strategic exploration and pre-development plays, and holds a portfolio of investments in other entities. The Company's principal properties are located in Alberta and British Columbia.

As part of the Offering, Mr. David Wilson, President and CEO of Kelt Exploration Ltd. ("Kelt"), acquired 20,000,000 Common Shares of Claim Post and now also holds approximately 13.1% of the issued and outstanding Common Shares of the Company. Kelt is an independent Canadian energy company focused on exploration, development, and production of crude oil and natural gas resources, primarily in west central Alberta and northeastern British Columbia.

Concurrent with Paramount's investment as part of the Offering, Claim Post is pleased to announce the appointment of Mr. Rodrigo Sousa to the Board of Directors. Currently, Mr. Sousa is Paramount's Vice-President, Corporate Development. Prior thereto, Mr. Sousa held senior roles as an oil and gas executive and in investment banking at TD Securities Inc., Ross Smith Sousa Energy Advisors and Scotia Capital. He holds a Bachelor of Commerce degree with Distinction from the University of Calgary and a Chartered Financial Analyst designation from the CFA Institute.

Certain of the directors of the Company, being Lowell Jackson, Tom MacInnis and Rod Sousa, participated in the Offering in the aggregate amount of \$350,000, thereby making the Offering a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The Offering is exempt from the need to obtain minority shareholder approval and a formal valuation as required by MI 61-101 as the Company is listed on the TSX Venture Exchange and the fair market value of the Common Shares to insiders or the consideration paid by insiders of the Company does not exceed 25% of the Company's market capitalization. The Company did not file a material change report more than 21 days before the expected closing date of the Offering as the details of the Offering, including the amount to be raised pursuant to the Offering and the participation therein by related parties of the Company, had not been confirmed at that time and the Company wished to close the Offering on an expedited basis for sound business reasons and in a timeframe consistent with usual market practices for transactions of this nature. The Offering remains subject to the final acceptance of the TSX Venture Exchange. The Common Shares issued in connection with the Offering are subject to a statutory hold period expiring on December 1, 2018. Finder's fees will be payable on a portion of the Offering in accordance with the policies of the TSX Venture Exchange