



**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED APRIL 30, 2017 AND 2016**

(EXPRESSED IN CANADIAN DOLLARS)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Enforcer Gold Corp.

We have audited the accompanying consolidated financial statements of Enforcer Gold Corp. which comprise the consolidated statements of financial position as at April 30, 2017 and 2016, and the consolidated statements of comprehensive loss, cash flows and changes in equity 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.

Auditors' 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 audits 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 our 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, these consolidated financial statements present fairly, in all material respects, the financial position of Enforcer Gold Corp. as at April 30, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Enforcer Gold Corp. to continue as a going concern.

Jackson & Company
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia
August 28, 2017

Enforcer Gold Corp
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Notes	As at April 30, 2017 \$	As at April 30, 2016 \$
Assets			
Current assets			
Cash and cash equivalents	7	4,583,171	22,879
Taxes and other receivables	3e	101,726	2,038
Prepaid expenses		19,269	3,900
Total Current Assets		4,704,166	28,817
Non-Current assets			
Mineral properties	8	1,636,621	1
Total Non-Current Assets		1,636,621	1
Total Assets		6,340,787	28,818
Liabilities and Shareholders' Equity (Deficit)			
Current liabilities			
Accounts payable and accrued liabilities	9	108,183	34,394
Flow-through share liability	11b	1,072,231	-
Due to related parties		-	433,436
Total Liabilities		1,180,414	467,830
Shareholders' Equity (Deficit)			
Capital stock	11b	8,867,417	1,390,929
Subscriptions receivable	11b(v)	(2,715,583)	-
Contributed surplus		2,358,726	8,420
Accumulated other comprehensive income		-	29,000
Obligation to issue shares		19,763	19,763
Deficit		(3,369,950)	(1,887,124)
Total Shareholders' Equity (Deficit)		5,160,373	(439,012)
Total Liabilities and Shareholders' Equity (Deficit)		6,340,787	28,818

Nature of Business and Going Concern (Note 1)

These consolidated financial statements are authorized for issuance by the Board of Directors on August 28, 2017.

Approved on behalf of the Board of Directors: (Signed) "Brendan Purdy" Director (Signed) "Stephen Roebuck" Director

The accompanying notes are an integral part of these consolidated financial statements.

Enforcer Gold Corp
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

		For the years ended April 30,	
	Notes	2017	2016
Expenses			
Office and general	14	\$ 327,672	\$ 21,809
Advertising and promotion		348,863	-
Management fees		84,000	110,000
Professional fees	14	420,618	67,767
Communications and travel		66,642	-
Share-based compensation	11c	348,950	-
Loss before finance items and other gains		(1,596,745)	(199,576)
Gain on debt settlement	10	29,000	-
Flow-through share premium		84,919	-
Net loss and comprehensive loss		(1,482,826)	(199,576)
Loss per share - basic and diluted	13	\$ (0.06)	\$ (0.11)
Weighted average number of common shares outstanding		24,783,722	1,759,200

The accompanying notes are an integral part of these consolidated financial statements.

Enforcer Gold Corp
Consolidated Statements of Changes in Shareholders' Equity (Deficit)
(Expressed in Canadian Dollars)

	Common Shares	Capital Stock	Shares to be Issued	Contributed Surplus	Accumulated Other Comprehensive Income	Subscriptions Receivable	Deficit	Total
		\$	\$	\$	\$	\$	\$	\$
Balance at April 30, 2015	1,759,200	1,390,929	-	84,137	-	-	(1,763,265)	(288,199)
Shares to be issued	-	-	19,763	-	-	-	-	19,763
Stock options forfeited	-	-	-	(75,717)	-	-	75,717	-
Net loss for the year	-	-	-	-	29,000	-	(199,576)	(170,576)
Balance at April 30, 2016	1,759,200	1,390,929	19,763	8,420	29,000	-	(1,887,124)	(439,012)
Issue of shares (Note 11b)	54,822,250	8,215,458	-	1,485,579	-	(2,715,583)	-	6,985,454
Flow-through share premium	-	(1,157,150)	-	-	-	-	-	(1,157,150)
Issue for shares – debt settlement (Note 11b)	950,000	47,500	-	-	-	-	-	47,500
Issue of shares – property option agreements (Note 11b)	4,432,284	886,457	-	-	-	-	-	886,457
Share-based compensation (Note 11c)	-	-	-	348,950	-	-	-	348,950
Issue of Finders' warrants (Note 11d)	-	(515,777)	-	515,777	-	-	-	-
Net loss for the year	-	-	-	-	(29,000)	-	(1,482,826)	(1,511,826)
Balance at April 30, 2017	61,963,734	8,867,417	19,763	2,358,726	-	(2,715,583)	(3,369,950)	5,160,373

The accompanying notes are an integral part of these consolidated financial statements.

Enforcer Gold Corp
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollar)

	For the years ended April 30,	
	2017	2016
	\$	\$
Operating activities		
Net loss for the year	(1,482,826)	(199,576)
Items not affecting cash:		
Share-based compensation	348,950	-
Flow-through share premium	(84,919)	-
Gain on debt settlement	(29,000)	-
Net change in non-cash working capital items:		
Taxes and other receivables	(99,688)	740
Prepaid expenses	(15,369)	(3,900)
Accounts payable and accrued liabilities	(359,647)	192,384
Net cash used in operating activities	(1,722,499)	(10,352)
Investing activity		
Acquisition of mineral properties	(750,163)	-
Net cash used in investing activity	(750,163)	-
Financing activities		
Advances received from a related party	-	7,261
Private placements net of costs	7,032,954	-
Obligation to issue shares	-	19,763
Net cash provided by financing activities	7,032,954	27,024
Change in cash and cash equivalents	4,560,292	16,672
Cash and cash equivalents, beginning of year	22,879	6,207
Cash and cash equivalents, end of year	4,583,171	22,879

The accompanying notes are an integral part of these consolidated financial statements.

Enforcer Gold Corp.
Notes to Consolidated Financial Statements
For the years ended April 30, 2017 and 2016
(Expressed in Canadian dollars, unless otherwise noted)

1. Nature of Business and Going Concern

Enforcer Gold Corp. (the “Company”) was incorporated on August 18, 2010 under the *Business Corporations Act* of British Columbia. On January 31, 2013, the Company entered into an agreement to acquire all of the issued and outstanding common shares of Bethlehem Iron Ore Corp. (“Bethlehem”), a private company incorporated in Nevada having a significant land position within the historic Gentry hematite-iron district approximately 80 miles northeast of Phoenix, Arizona. On April 19, 2013, the Company completed its Qualifying Transaction, and as a result, the Company ceased to be a CPC and commenced trading as a Tier 2 Mining Issuer on the TSX-V under the new trading symbol “NRL.V”. In early 2017, the ticker was changed to “VEIN”.

The principal business of the Company is the acquisition, exploration and development of mineral properties located in Quebec, Canada.

The Company’s head office, principal address, and registered and records office is Suite 2000 – 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2K3.

These consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board on a going concern basis which assumes the Company will be able to meet its obligations and continue its operations for the next 12 months. At April 30, 2017, the Company had an accumulated deficit of \$3,369,950 since inception (2016 - \$1,887,124), expects to incur further losses in the development of its business, and had a net working capital of \$3,523,752 (2016 - deficit of \$439,013).

The Company’s continuation 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 there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. In order to continue as a going concern and meet its corporate objective, the Company will require additional financing through debt or equity issuances or other available means. However, there is no assurance that the Company will continue to be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet 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.

2. Basis of Preparation

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

These consolidated financial statements have been prepared on a going concern basis, under historical cost convention. The principal accounting policies and critical estimate and judgements, used when compiling these financial statements are set out below. These consolidated financial statements were approved by the Board of Directors on August 28, 2017.

3. Significant Accounting Policies

a) Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Bethlehem. All significant intercompany accounts and transactions between the Company and its subsidiary have been eliminated upon consolidation.

b) New and Amended Standards Adopted by the Company

Disclosure Initiative - Amendments to IAS 7 Statement of Cash Flows the Company has adopted the amendments to IAS 7 Statement of Cash Flows, in its financial statements for the annual period beginning on January 1, 2017. On first application, the Company is not required to provide comparative information in respect of preceding periods.

The amendment requires disclosure of changes in financial liabilities and financial assets arising from financing activities. These are liabilities and assets for which cash flows were, or future cash flows will be, classified in the statement of cash flows from financing activities.

c) Functional and Presentation Currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. (the "functional currency"), which was determined to be Canadian dollars. The consolidated financial statements are presented in Canadian dollars, which is the Company's presentation currency. Transactions in currencies other than the Canadian dollar are translated at rates at the time of the transactions as follows:

- (i) Monetary assets and liabilities are translated at current rates of exchange with the resulting gain or losses recorded in foreign exchange gain/loss in the statement of loss and comprehensive loss;
- (ii) Non-monetary items are translated at historical exchange rates;
- (iii) Expense items are translated at the average rates of exchange with any gains or losses recognized within foreign exchange gain/loss in the statement of loss and comprehensive loss.

d) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on deposit with banks.

e) Taxes and Other Receivables

Taxes and other receivables consists primarily of HST receivable from the government authorities in Canada in respect of the Company's expenses and cost reimbursement from third parties.

f) Mineral Properties and Exploration Expenditures

Mineral property acquisition costs are capitalized and the balance is written off should the property be disproven by exploration or abandoned. These assets are recorded at cost. The carrying value of these assets is dependent, among other things upon: the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from disposition of such properties. The assets are evaluated each quarter for indications of impairment or when events occur that would require assessment.

3. Significant Accounting Policies (continued)

f) Mineral Properties and Exploration Expenditures (continued)

Where the Company considers that there is an impairment indicator such as significant decrease in resource and reserve estimates, expiration or permanent cancellation of rights, impairment is assessed and if necessary, recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of fair value less cost to dispose or value in use. An impairment loss is recognized whenever the carrying amount of these assets or its cash generating unit (which is the property) exceeds its recoverable amount. Impairment losses are recorded in the consolidated statement of net loss.

Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. All exploration expenditures are capitalized to the mineral properties.

g) Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control such that significant operating and financial decisions require the unanimous consent of the parties sharing control. The Company's joint ventures consist of jointly controlled assets ("JCAs"). The balances related to JCA's are not material.

A JCA is a joint venture in which the venturers have joint control and ownership over the assets contributed to or acquired for the purposes of the joint venture. JCAs do not involve the establishment of a corporation, partnership or other entity. The participants in a JCA derive benefit from the joint activity through a share of production and bears an agreed share of expenses incurred as opposed to receiving a share of the net operating results. The Company's proportionate interest in the assets, liabilities, expenses, and cash flows of the JCAs are incorporated into the consolidated financial statements under the appropriate headings.

h) Loss per Common Share

The basic loss per share is calculated based upon the weighted-average number of common shares outstanding during the period. Stock options and warrants outstanding are not included in the computation of diluted loss per share if their inclusion would be anti-dilutive.

i) Share-based Compensation

The Company grants stock options to certain employees and non-employees under the terms of the Company's Stock Option Plan or Share Awards Plan. Each tranche in an option award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires estimates for the expected life of options and stock price volatility which can materially affect the fair value estimate. Volatility and expected life of option is estimated based on an analysis of factors such as the Company's historical price trends, history of option holder activity, and peer and industry benchmarks for similar transactions.

Share-based compensation expense is recognized over the vesting period of the grant by increasing contributed surplus based on the number of awards expected to vest. This number is reviewed at least annually, with any change in estimate recognized immediately in share-based compensation expense with a corresponding adjustment to contributed surplus.

3. Significant Accounting Policies (continued)

j) Income Taxes

Deferred tax assets and liabilities are determined based on the differences between the financial statement carrying values of assets and liabilities and their respective income tax bases (temporary differences), and losses carried forward.

Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset is realized or liability is settled. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be used.

The determination of the ability of the Company to use tax loss carry-forwards to offset deferred tax payable involves judgment and certain assumptions about the future performance of the Company. Assessment is required about whether it is "probable" that the Company will benefit from the prior losses and other deferred tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of using the losses.

k) Flow-through Shares

The Company has adopted a policy whereby flow-through proceeds are allocated between the offering of the common shares and the sale of tax benefits when the flow-through common shares are offered. The allocation is made based on the difference ("premium") between the quoted price of the common shares and the amount the investor pays for the flow-through shares. A liability is recognized for the premium paid by the investors and is then derecognized in the period the eligible expenditures are incurred, which is recorded in the consolidated statement of loss.

l) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

m) New Accounting Standards Issued But Not Yet Applied

IFRS 9 - Financial Instruments

IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39, Financial Instruments: Recognition and Measurement.

Accordingly, the Company does not expect the new guidance to have an impact on the classification and measurement of its financial assets. For financial liabilities that are measured under the fair value option entities will need to recognize the part of the fair value change that is due to changes in their own credit risk in other comprehensive income rather than profit or loss.

The new hedge accounting rules (released in December 2013) align hedge accounting more closely with common risk management practices. As a general rule, it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.

3. Significant Accounting Policies (continued)

m) New Accounting Standards Issued But Not Yet Applied (continued)

IFRS 9 - Financial Instruments (continued)

The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under IAS 39. It applies to financial assets classified at amortized cost, debt instruments measured at FVOCI, lease receivables, loan commitments and certain financial guarantee contracts.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Company's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

The standard must be applied for financial years commencing on or after 1 January 2018. Based on the transitional provisions in the completed IFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety.

The Company does not intend to adopt IFRS 9 before its mandatory date.

IFRS 7 - Financial Instruments

Disclosures - amended to require additional disclosure on transition from IAS 39 to IFRS 9. The Company does not expect any effect on its financial statements from the adoption of this standard.

IFRS 16 - Leases

IFRS 16 was issued in January 2016. It will result in almost all leases being recognized on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Company's operating leases. The Company has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under IFRS 16.

The standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Company does not intend to adopt the standard before its effective date.

n) Critical Accounting Judgements and Estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting

3. Significant Accounting Policies (continued)

n) Critical Accounting Judgements and Estimates (continued)

adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate, but are not limited to, the following:

Mineral Properties

Enforcer Gold capitalizes mining property acquisition costs which are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. On an ongoing basis, the Company evaluates deferred expenditures relating to each property to assess whether there has been impairment in value. The Company recognizes write-downs for impairment where the carrying value of the mining property exceeds its estimated long-term net recoverable value. Recoverable value is estimated based upon the Company's assessment of the future probability of positive cash flows from the property, current exploration results for properties without a defined resource or estimated proceeds from a potential sale of the property.

Stock Options and Warrants

The Black-Scholes option valuation model used by the Company to determine fair values for stock-based compensation was developed for use in estimating the fair value of freely traded options. This model requires input of highly subjective assumptions including future stock volatility and expected time until exercise. Changes in the subjective input assumptions can materially affect the fair value estimate.

Asset Acquisition

The assessment of whether an acquisition meets the definition of a business, or whether assets are acquired is an area of key judgment. If deemed to be a business combination, applying the acquisition method to business combinations requires each identifiable asset and liability to be measured at its acquisition-date fair value. Any excess of the fair value of consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The acquisition of a business generally has three elements: Input – an economic resource that creates outputs when one or more processes are applied to it; Process – a system, standard, protocol, convention or rule that when applied to an input or inputs, creates outputs; Output – the result of inputs and processes applied to those inputs.

4. Capital Management

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 and exploration 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 Company defines capital to include its capital stock, warrant, and option components of its shareholders' equity. The properties in which the Company currently has an interest are in the early exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration activity and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended April 30, 2017.

Enforcer Gold Corp.
Notes to Consolidated Financial Statements
For the years ended April 30, 2017 and 2016
(Expressed in Canadian dollars, unless otherwise noted)

5. Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts payable and accrued liabilities. The carrying value of these instruments, other than cash, approximates their fair values due to their short-term nature. Fair value is based on the market values of comparable companies, if such information is readily available, or by reference to recent transactions involving assets held by a comparable Company with adjustments for differences in mineral resources for the assets. The three levels of fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and

Level 3 - Inputs for assets or liabilities that are not based on observable market data

Cash is measured at fair value using Level 1 inputs.

6. Financial Risks Factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and commodity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents. Cash and cash equivalents consist of cash on hand, term deposits and savings accounts with reputable financial institutions with strong credit ratings which are closely monitored by management.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2017, the Company had cash and cash equivalents and taxes receivable balances of \$4,684,897 (2016 - \$24,917) to settle current liabilities of \$1,180,414 (2016 - \$467,830). All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company remains dependent upon financing from capital markets.

Market Risk

Market risk is the risk of loss that might arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

i) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to limited interest rate risk, as it only holds cash and does not have any interest-bearing debt.

Enforcer Gold Corp.
Notes to Consolidated Financial Statements
For the years ended April 30, 2017 and 2016
(Expressed in Canadian dollars, unless otherwise noted)

6. Financial Risks Factors (continued)

Market Risk (continued)

ii) Foreign Currency Risk:

The Company also holds a bank account denominated in United States dollars; therefore, it is subject to risk in fluctuations in the exchange rate of the United States dollar. However, as at April 30, 2017, the Company had a minimal balance in its US bank balance; therefore, any change in the Canadian dollar versus the United States would be insignificant.

7. Cash and Cash Equivalents

Cash and cash equivalents consist of:	April 30, 2017	April 30, 2016
	\$	\$
Cash deposit	2,382,421	22,879
Cash held in escrow	2,200,750	-
	<u>4,583,171</u>	<u>22,879</u>

8. Acquisition of Assets and Mineral Properties

	April 30, 2017	April 30, 2016
	\$	\$
(a) <u>Bethlehem Property</u>		
Opening balance	1	116,853
Write-down of exploration and evaluation assets	-	(116,852)
	<u>1</u>	<u>1</u>
(b) <u>Duval Property</u>		
Opening balance	-	-
Acquisition of mineral assets	548,957	-
Exploration expenditures	239,825	-
	<u>788,782</u>	<u>-</u>
(c) <u>Montalembert Property</u>		
Opening balance	-	-
Acquisition of mineral assets	652,500	-
Exploration expenditures	195,338	-
	<u>847,838</u>	<u>-</u>
Total Mineral Properties	<u>1,636,621</u>	<u>1</u>

a) Bethlehem Property

This property is located in Gila County, Arizona in the United States and was acquired on April 9, 2013 as part of a qualifying transaction. The Company also assumed a 2% net smelter royalty ("NSR") and a \$1 per tonne direct shipping ore royalty in connection with the acquisition of Bethlehem.

8. Acquisition of Assets and Mineral Properties (continued)

a) Bethlehem Property (continued)

During the year ended April 30, 2015, management identified indicators of impairment under IFRS 6 *Exploration for and Evaluation of Mineral Resources* with respect to the Bethlehem property. Given that management suspended all future exploration plans on the property, the Company wrote-down the property to \$1, in line with Level 3 of the fair value hierarchy. As at April 30, 2017, management determined there was no change to the value of the Bethlehem property.

b) Duval Property

On July 6, 2016, the Company entered into an option agreement with Critical Elements Corporation that gives the Company the option to acquire up to a 70% interest in the Duval project, located south-west of and contiguous to the Nemaska Lithium Whabouchi Deposit. Under the Agreement, Enforcer will earn its interest in Duval by way of a farm-in arrangement. The key terms of the agreement are detailed as follows:

(i) Grant of first option

Critical Elements hereby grants to Enforcer the exclusive right and option to acquire, on or before December 31, 2017, an initial 50-per-cent earned interest in the property by issuing to Critical Elements an aggregate of 19.9 per cent of the common shares of Enforcer, by paying \$15,000 cash, and by incurring or financing exploration expenditures for a total amount of \$750,000 on the property, as follows:

- Paying to Critical Elements \$15,000 cash within a delay of five days following the execution of this agreement (non-refundable);
- Issuing to Critical Elements 19.9 per cent common shares of Enforcer immediately following the receipt of the required approvals from the exchange;
- Incurring or financing exploration expenditures aggregating not less than \$750,000 on the property, of which an amount of \$350,000 must be incurred or financed before December 31, 2016, and an amount of \$400,000 before December 31, 2017.

(ii) Grant of second option

Subject to Enforcer having exercised the first option in accordance with the agreement, Critical Elements hereby also grants to Enforcer the exclusive right and option to increase its undivided interest in and to the property from 50 per cent to 70 per cent by paying to Critical Elements an additional amount of \$350,000, incurring or financing additional exploration expenditures of \$1.25-million, and by delivering a NI 43-101-compliant resource estimate on the property prepared by a qualified person independent of Enforcer and Critical Elements, for the period commencing on the delivery of notice of the exercise of the first option by Enforcer and ending December 31, 2018, as follows:

- On the date of delivery of the first option exercise notice, paying to Critical Elements an amount of \$350,000, in cash or in common shares of Enforcer, at the sole discretion of Enforcer;
- On or before December 31, 2018, incurring or financing additional exploration expenditures for an amount of \$1.25-million;
- On or before December 31, 2018, delivering the resource estimate to Critical Elements.

8. Acquisition of Assets and Mineral Properties (continued)

b) Duval Property (continued)

(iii) Milestone payments

Subject to Enforcer's right to withdraw from and terminate the first option, Enforcer agrees to make the following milestone payments to Critical Elements, payable at any time following the exercise of the first option:

- On the estimation of a drilled defined resource (NI 43-101-compliant) of five million tonnes at a cut-off grade of 0.6 per cent lithium oxide (all categories), a payment of \$500,000, payable in cash or in common shares of Enforcer at the sole discretion of Enforcer;
- On the estimation of a drilled defined resource (NI 43-101-compliant) of 10 million tonnes at a cut-off grade of 0.6 per cent lithium oxide (all categories), a payment of \$750,000, payable in cash or in common shares of Enforcer at the sole discretion of Enforcer;
- On the estimation of a drilled defined resource (NI 43-101-compliant) of 15 million tonnes at a cut-off grade of 0.6 per cent lithium oxide (all categories), a payment of \$1-million, payable in cash or in common shares of Enforcer at the sole discretion of Enforcer;
- On the estimation of a drilled defined resource (NI 43-101-compliant) of 20 million tonnes at a cut-off grade of 0.6 per cent lithium oxide (all categories), a payment of \$1.5-million, payable in cash or in common shares of Enforcer at the sole discretion of Enforcer.

The acquisition of the Duval property has been accounted for as an asset acquisition. As at April 30, 2017, \$259,824 of costs were capitalized to the property and payment of \$15,000 in cash and payment of \$533,957 through issuance of 2,669,784 common shares of the Company.

c) Montalembert Gold Property

On November 17, 2016 the Company announced that it had entered into an option agreement with Globex Mining Enterprises ("Globex") to acquire a 100% interest in the 3183 hectare Montalembert Gold Property located 120 kilometres west of Chibougamau in the prolific Abitibi mining district of central Quebec.

The Montalembert Gold Property has historical and recently reported high grade gold visible in outcrop on surface and reported in historical shallow drill holes. Recent stripping completed by Globex has exposed the gold bearing quartz vein systems along with occurrences of coarse native gold. See Globex press releases dated September 9, 2015, November 12, 2015 and October 24, 2016 for information on historical and some more recent exploration on the property.

Terms of the Option

Pursuant to the Agreement, Enforcer shall have the option to earn an undivided 100% right, title, and interest in the Property (the "Option"), subject to the Gross Metal Royalty, by making aggregate cash payments to Globex of \$2,700,000, issuing an aggregate of 8,500,000 common shares and incurring aggregate exploration expenditures of \$15,000,000 on the Property as follows:

- (i) Paying \$2,700,000 in cash to Globex as follows:
 - \$300,000 on or before December 31, 2016;
 - \$300,000 on or before December 31, 2017;
 - \$600,000 on or before December 31, 2018;
 - \$1,500,000 on or before December 31, 2019;

8. Acquisition of Assets and Mineral Properties (continued)

c) Montalembert Gold Property (continued)

Terms of the Option (continued)

- (ii) Issuing 8,500,000 common shares of Enforcer to Globex as follows:
- 1,500,000 common shares on or before the tenth business day after TSX Venture Exchange acceptance of this Option Agreement but no later than December 31, 2016;
 - 2,000,000 common shares on or before December 31, 2017;
 - 2,000,000 common shares of on or before December 31, 2018;
 - 3,000,000 common shares of on or before December 31, 2019;
- (iii) Incurring aggregate exploration expenditures of \$15,000,000 on the Property as follows:
- \$1,000,000 in exploration expenditures to be completed on or before December 31, 2017;
 - An additional \$1,000,000 in exploration expenditures to be completed on or before December 31, 2018;
 - an additional \$4,000,000 in exploration expenditures to be completed on or before December 31, 2019;
 - an additional \$4,000,000 in exploration expenditures to be completed on or before December 31, 2020;
 - an additional \$5,000,000 in exploration expenditures to be completed on or before December 31, 2021;

The cash and share payments to be made by Enforcer prior to December 31, 2017 and the exploration expenditure to be incurred prior to December 31, 2018, are firm commitments and must be made even in the event that Enforcer terminates this Option Agreement and chooses not to exercise the Option.

Notwithstanding the foregoing, at any time following the 2nd anniversary of the Effective Date of this Option Agreement, the exploration expenditures may be deferred for up to 12 months (resulting in all subsequent exploration expenditure requirements to be deferred 12 months) in the event that both: (i) the London spot price for Au is less than \$1200 US per troy ounce for 30 consecutive days, and (ii) Enforcer has less than \$1 million CDN funds in its treasury. In the event that exploration expenditures are deferred as contemplated hereby, Enforcer shall be obligated to pay to Globex a penalty of \$150,000 in cash and issue to Globex 1,000,000 common shares of Enforcer within 10 business days of providing notice to Globex of such deferral of exploration expenditures.

Due to the high grade nature of the potential ore from the Property, Globex shall retain a three and one-half percent (3.5%) Gross Metal Royalty (GMR) on all recovered metals and minerals produced from the Property, with a six percent (6%) GMR on the first 150,000 ounces of each of gold and silver recovered from the Property.

The acquisition of the Montalembert Property has been accounted for as an asset acquisition. As at April 30, 2017, \$200,339 of costs were capitalized to the property and a cash payment of \$300,000 was made to Globex.

8. Acquisition of Assets and Mineral Properties (continued)

Title to exploration and evaluation assets

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers and rights of ownership may be affected by undetected defects.

Realization of assets

The investment in and expenditures on mineral property interests 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, obtaining of permits, satisfaction of governmental requirements and possible aboriginal claims, and attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards of an ore body if discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

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

9. Accounts Payable and Accrued Liabilities

	April 30, 2017	April 30, 2016
	\$	\$
Accounts payable	53,118	22,394
Accrued liabilities	55,065	12,000
	108,183	34,394

10. Loan Payable and Related Party Transactions

(i) Loan Payable

On February 4, 2013, the Company issued an interest-free unsecured promissory note of \$104,000 (due on or before December 31, 2014) to an option or in connection with the termination of a previous option agreement. The Company repaid \$50,000 of the loan in fiscal 2014.

The remaining balance of \$54,000 relating to the loan was due December 31, 2014 and the Company was in discussion to extend the terms of the promissory note as at April 30, 2015.

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10. Loan Payable and Related Party Transactions (continued)

During the year ended April 30, 2016, the outstanding loan balance was acquired by a related party of the Company and is currently payable on demand.

During the year ended April 30, 2017, the Company settled the loan payable for \$25,000 and recorded a gain on debt settlement for \$29,000.

(ii) Related Party Transactions

During the year ended April 30, 2017, the Company entered into the following transactions with related parties, not disclosed elsewhere in these consolidated financial statements:

Summary of related party transactions and compensation of key management:

	April 30, 2017	April 30, 2016
	\$	\$
Management fees	84,000	110,000
Professional fees	142,000	57,072
Stock-based compensation	198,053	-
	424,053	167,072

As at April 30, 2017, Key management includes 4 directors and 1 member of the executive management team. Two members of the board of directors provide Consulting Services to the Company on a continuous basis and one member of the board of directors' acts as the Company's Legal Counsel.

11. Capital Stock

a) Authorized – Unlimited common shares without par value.

b) Issued

	Number of Shares	Value
Balance, April 30, 2016 (i)	1,759,200	\$ 1,390,929
May 2016 private placement, net of costs (ii)	11,656,800	523,340
Fall 2016 private placement, net of costs (iii)	3,705,000	930,673
December 2016 private placement, net of costs (iv)	17,799,250	3,312,601
April 2017 private placement, net of costs (v)	21,661,200	4,419,476
Flow-through share premium	-	(1,157,150)
Warrants allocation	-	(1,486,409)
Issue of shares - debt settlement	950,000	47,500
Issue of shares under property agreements (vi)	4,432,284	886,457
Balance, April 30, 2017	61,963,734	\$ 8,867,417

(i) On May 10, 2016, the Company has consolidated its capital on a one-new-for-10-old basis. The consolidation reduced the outstanding shares of the Company from 17,592,001 to 1,759,200 shares issued and outstanding. The exercise price and number of common shares pursuant to all outstanding stock options and warrants will also be adjusted in accordance with the consolidation ratio.

11. Capital Stock (continued)

b) Issued (continued)

- (ii) On May 16, 2016, the Company closed the first tranche of its non-brokered private placement (the "First Tranche") previously announced on April 20, 2016. Pursuant to the First Tranche, a total of 7,050,000 common shares were issued at a price of \$0.05 per share for gross proceeds of \$352,500. All securities issued in connection with the First Tranche are subject to a four-month hold period that expires on September 17, 2016. In connection with the Placement, the Company has agreed to pay finder's fees of \$3,000 cash and 60,000 shares to arm's length parties. On May 24, 2016, the Company closed its second and final tranche of the Financing oversubscribed for additional gross proceeds of \$224,340, bringing the total amount raised to \$576,840. All securities issued in connection with the Second Tranche are subject to a four-month hold period that expires on September 25, 2016. Pursuant to the Financing, a total of 11,536,800 common shares were issued at \$0.05 per share. The Company paid an additional finder's fee of \$3,000 and 60,000 compensation shares to registered dealers pursuant to the second tranche.
- (iii) August 31, 2016, the Company closed the first tranche of its non-brokered private placement by issuing 2,653,000 units ("Units"), and 1,380,000 flow-through units ("FT Units") for aggregate gross proceeds of \$875,600. On October 14, 2016, the Company closed the second and final tranche by issuing an additional 622,000 Units for aggregate gross proceeds of \$124,400. Pursuant to the total offering, the Company issued an aggregate of 3,275,000 Units and 1,380,000 FT Units for gross proceeds of \$1,000,000. Each Unit consists of one common share in the capital of the Company and one half of one common share purchase warrant (each whole common share purchase warrant, a "Unit Warrant"), with each Unit Warrant being exercisable to acquire one common share of the Company at a price of \$0.30 for a period of 36 months following the closing date of the offering. Each FT Unit consists of one "flow-through" common share in the capital of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant, a "FT Unit Warrant"), with each FT Unit Warrant being exercisable to acquire one common share of the Company at a price of \$0.30 for a period of 36 months following the closing date of the offering. In connection with the Offering, the Agent will be entitled to a corporate finance fee in an amount equal to 2% of Subscription Receipts and FT Shares sold and a sales commission of 7% of the aggregate gross proceeds of the Subscription Receipts and FT Shares sold. Additionally, the Company will issue to the Agent corporate finance options ("Compensation Options") entitling the Agent to purchase a number of common shares equal to 2% of the aggregate number of Subscription Receipts and FT Shares sold and selling compensation warrants entitling the Agent to purchase a number of Common Shares equal to 7% of the aggregate number of Subscription Receipts and FT Shares sold, at an exercise price equal to the Offering price for 36 months following the date of closing the Offering.
- (iv) On December 23, 2016, the Company closed a private placement financing raising total gross proceeds of \$4,000,000 (the "Offering"). Pursuant to the terms of an agency agreement (the "Agency Agreement") among the Company and First Republic Capital Corporation (the "Agent") dated December 21, 2016, the Company issued: (a) 8,996,250 subscription receipts (each a "Subscription Receipt"), at a price of \$0.20 per Subscription Receipt, for proceeds of \$1,799,250; and 8,803,000 "flow-through" common shares (each a "FT Share"), at a price of \$0.25 per FT Share, for gross proceeds of \$2,200,750. Each Unit will consist of one common share and one-half of one common share purchase warrant ("Warrant"), with each Warrant entitling the holder to purchase one common share of the company at a price of \$0.30 for a period of 24 months following the closing date of the Offering. The Ft shares will be "flow-through" shares pursuant to the Income Tax Act (Canada). The Company also issued brokers warrants (Broker Warrants) equal to 7% of the aggregate number of Subscription Receipts sold under the offering, at an exercise price of \$0.20 per unit up until December 21, 2018 and Flow-Through Broker Warrants (FT Broker Warrants) exercisable to acquire the number of common shares of the Company equal to 7% if the aggregate number of FT shares sold under the offering at an exercise price of \$0.25 per share on or before December 21, 2018.

11. Capital Stock (continued)

b) Issued (continued)

- (v) On April 24 and April 27, 2017 the Company closed the first and second tranche of a private placement financing raising total gross proceeds of \$4,980,240. The financing consisted of 1,422,500 units ("Units") at a price of \$0.20 per Unit and 7,340,000 flow-through units ("Flow-Through Units") at a price of \$0.25 per Unit. Each Unit consisting of one common share and one half of one common share purchase warrant, each whole warrant entitling the holder to purchase one common share at a price of \$0.30 per share for a period of 24 months following the closing date of the offering. Each Flow-Through Unit consists of one flow-through common share ("FT Share"). The FT Shares will be "flow-through" shares pursuant to the Income Tax Act (Canada). The Company also issued broker warrants ("Broker Warrants") equal to 7% of the aggregate number of Units and FT Shares sold under the offering. Each Broker Warrant issued pursuant to the offering entitles the holder to purchase one common share at a price of \$0.30 per share for a period of 24 months. The issued shares are subject to a 4 month hold period which expired August 22, 2017. \$2,715,583 of the private placement funds were received subsequent to the year-end. During the year ended April 30, 2017 these funds were recorded under Subscriptions Receivable on the consolidated statement of financial position.
- (vi) On August 30, 2016 as part the Duval Property option agreement with Critical Elements the Company issued 2,669,784 shares at \$0.20 per share to earn a 50 percent interest in the property. The share based payment transaction was measured at the fair value of the common shares issued (\$533,957). On January 25, 2017 as part of the Montelembert Property option agreement the Company issued 1,500,000 shares at \$0.20 per share and 262,500 finder's fees shares at \$0.20 per share. The share based payment transaction was measured at the fair value of the common shares issued. (\$352,500). (See Note 8b (i) and (ii) – Acquisition of Assets and Mineral Properties)

c) Stock options

The Company has adopted a stock option plan (the "Option Plan"), which provides that the Board of Directors of the Company may, from time to time, grant to directors, officers, employees and technical consultants of the Company, non-transferable options to purchase common shares. The expiry date for each option shall be set by the Board of Directors at the time of issue and shall not exceed ten years. A vesting schedule may be imposed at the discretion of the Board of Directors at the time of issue. During any twelve-month period, the number of shares issuable to any one optionee shall not exceed 5% of the total number of issued and outstanding shares of the Company. The number of shares that may be reserved for issuance shall not exceed 20% of the total number of issued and outstanding shares of the Company.

During the three months ended July 31, 2016, the Company consolidated its capital on a one-new-for-10-old basis. The exercise price and number of common shares pursuant to all outstanding stock options and warrants were adjusted in accordance with the consolidation ratio.

For the year ended April 30, 2017, share-based compensation of \$348,950 (2016 - \$Nil) was charged to net income.

On November 10, 2016, the Company granted 1,850,000 incentive stock options to directors, employees and consultants of the Company at an exercise price of \$0.20. The share price on the November 10, 2016 was \$0.22.

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11. Capital Stock (continued)

c) Stock options (continued)

The fair value assigned was estimated using the following assumptions:

Dividend yield	0%
Expected volatility	203.29%
Risk-free interest rate	0.62%
Expected life	2 Years

The stock options were assigned a value of \$348,950.

The following table summarizes the stock option transactions during the year ended April 30, 2017.

	Number of Options	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
Balance, April 30, 2016	-		-
Granted	1,850,000	1.53	\$0.20
Expired	(150,000)	1.53	\$0.20
Balance, April 30, 2017	1,700,000	1.53	\$0.20

d) Warrants

The following table lists the Company's warrants as at April 30, 2017.

	Number of Warrants	Weighted Average Exercise Price
Balance, April 30, 2016	-	-
Private Placement Warrants	11,176,225	\$0.30
Broker Warrants	3,126,907	\$0.26
Balance, April 30, 2017	14,303,132	\$0.29

On August 31, 2016, 2,016,500 warrants were issued as a result of the first tranche of the private placement and on October 14, 2016, 460,040 were issued as part of the second tranche of the private placement including broker warrants. (see Note 11(b)(iii)). On December 23, 2016, 6,100,058 warrants were issued as a result of the private placement including broker warrants. (see Note 11(b)(iv)). On April 27, 2017, 5,726,534 warrants were issued as part of the private placement including broker warrants. (see Note 11(b)(v)).

During the year ended April 30, 2017, no warrants expired.

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11. Capital Stock (continued)

d) Warrants (continued)

Additional information regarding warrants outstanding and exercisable as at April 30, 2017 is as follows:

Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price
\$ 0.30	2,130,740	2.34	\$ 0.30
0.30	345,800	2.46	0.30
0.30	4,498,125	1.64	0.30
0.30	725,250	1.99	0.30
0.30	4,854,309	1.98	0.30
0.25	28,000	1.98	0.25
0.25	792,270	1.64	0.25
0.20	56,175	1.99	0.20
0.20	62,800	1.98	0.20
\$ 0.20	809,663	1.64	0.20
	14,303,132	1.90	\$ 0.29

12. Income Taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2017	2016
	\$	\$
Net loss for the year	(1,482,826)	(170,576)
Canadian statutory income tax rate	26.0%	26.0%
Income tax recovery computed at Canadian statutory rates	(386,000)	(44,350)
Deductible items	67,000	(1,449)
Non-deductible items	(496,000)	5
Impact of flow-through shares	110,000	-
Change in unrecognized deductible temporary differences	705,000	45,794
	-	-

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consists of the following amounts:

	2017	2016
	\$	\$
Deferred income tax assets		
Share issuance costs	120,000	1,132
Exploration and evaluation assets	399,000	84,024
Non-capital losses	770,000	483,344
	1,289,000	568,499

The Company has accumulated non-capital losses for Canadian income tax purposes of approximately \$2,960,000 expiring between 2028 and 2036.

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13. Loss Per Share

	April 30, 2017	April 30, 2016
Loss attributable to common shareholders	\$ (1,482,826)	\$ (199,576)
Weighted average number of shares outstanding – basic and diluted	24,783,722	1,759,200
Loss per share – basic and diluted	\$ (0.06)	\$ (0.11)

14. Supplementary Expense Information

Office and General:	April 30, 2017	April 30, 2016
Salaries	\$ 144,991	\$ -
Administration and other expenses	41,229	7,681
Insurance	11,454	-
Regulatory and shareholder filing fees	129,998	14,130
	\$ 327,672	\$ 21,811

Professional Fees:	April 30, 2017	April 30, 2016
Consulting fees	\$ 347,655	\$ -
Legal fees	44,190	59,072
Audit fees	28,773	8,695
	\$ 420,618	\$ 67,767

15. Subsequent Event

On June 28, 2017, the Company granted certain officers, directors, employees and advisors of the Company, incentive stock options to purchase an aggregate of 5,975,000 common shares of Enforcer Gold exercisable at a price of C\$0.20 for a period of (36) thirty-sixty months. The stock options are granted in accordance with the Company's Stock Option Plan. The grant of options remains subject to the approval of the TSX Venture Exchange.