GENERATION MINING LIMITED

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON JANUARY 11, 2018 TO MARCH 31, 2018

(Expressed in Canadian dollars)

GENERATION MINING LIMITED

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim condensed financial statements of Generation Mining Limited (the "Company") are the responsibility of the management and 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 statement of financial position date. In the opinion of management, the interim condensed financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

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.

"Jamie Levy" (signed)
President and Chief Executive Officer

"Halina McGregor" (signed)
Chief Financial Officer

NOTICE TO READER

The accompanying unaudited interim condensed financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim condensed financial statements for the period from January 11, 2018 to March 31, 2018 have not been reviewed by the Company's auditors.

GENERATION MINING LIMITED

UNAUDITED INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	As at	
	March 31, 2018	January 11, 2018
ASSETS		
CURRENT		
Cash	$ 295,395	$ 1
Other receivables	104,082	-
	$ 399,477	$ 1
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 139,595	$ -
DEBT (note 11)	151,646	-
	291,241	-
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (note 8)	1,533,115	1
DEFICIT	(1,424,879)	-
	108,236	1
	$ 399,477	$ 1

Nature of operations and going concern (note 1)
Commitments (note 6 and 10)

Approved on behalf of the Board of Directors on May 28, 2018

(signed) "*Jamie Levy*", Director

(signed) "*Brian Jennings*", Director

The accompanying notes are an integral part of the financial statements.
The external auditors have not reviewed these unaudited interim condensed statements.

GENERATION MINING LIMITED

UNAUDITED INTERIM CONDENSED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	January 11 to March 31, 2018
EXPENSES	
Acquisition, evaluation and exploration expenditures (note 6)	$ 1,367,728
Professional fees	25,000
Management and corporate administration services	14,591
Shareholder and investor communications	10,767
Premises rent	6,793
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$ (1,424,879)
Loss per share:	
Basic and diluted loss per share (note 9)	$ (0.089)
Weighted average number of common shares outstanding	15,969,934

The accompanying notes are an integral part of the financial statements.
The external auditors have not reviewed these unaudited interim condensed statements.

GENERATION MINING LIMITED

UNAUDITED INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Capital stock			
	Shares	Amount	Deficit (Note 4)	Total Equity
Balance, January 11, 2018	1	$ 1	-	$ 1
Issued pursuant to the Arrangement (Note 1)	15,969,934	1,533,115	-	1,533,115
Cancellation of incorporation share (Note 1)	(1)	(1)	-	(1)
Net loss for the period	-	-	(1,424,879)	(1,424,879)
Balance, March 31, 2018	15,969,934	$ 1,533,115	$ (1,424,879)	$ 108,236

The accompanying notes are an integral part of the financial statements.
The external auditors have not reviewed these unaudited interim condensed statements.

GENERATION MINING LIMITED

UNAUDITED INTERIM CONDENSED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	March 31, 2018
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:	
Net loss for the period	$ (1,424,879)
Add items not affecting cash:	
Mineral properties transferred from arrangement	1,216,848
Interest accrued but not paid	1,253
Changes in non-cash working capital:	
Other receivables	(19,297)
Accounts payable and accrued liabilities	139,595
Cash provided by operations	(86,480)
CASH PROVIDED BY FINANCING ACTIVITIES:	
Cash transferred from arrangement	381,875
Cash provided by financing activities	381,875
INCREASE IN CASH	295,395
CASH AT BEGINNING OF PERIOD	-
CASH AT END OF PERIOD	$ 295,395

The accompanying notes are an integral part of the financial statements.
The external auditors have not reviewed these unaudited interim condensed statements.

1. NATURE OF OPERATIONS AND GOING CONCERN:

Generation Mining Limited ("Generation Mining" or the "Company") is a base and precious metal exploration and development company with various property interests throughout Canada. The Company was incorporated on January 11, 2018 under the Business Corporations Act (Ontario). The Company's registered office is located at 365 Bay Street, Suite 400, Toronto, Ontario M5H 2V1. The Company's shares are listed on the Canadian Securities Exchange (the "CSE") under the symbol GENM.

On December 15, 2017, Pine Point Mining Limited ("Pine Point") entered into an arrangement agreement (the "Agreement") with Osisko Metals Incorporated ("Osisko Metals") pursuant to which Osisko Metals acquired, by way of court approved plan of arrangement (the "Arrangement"), all of the issued and outstanding common shares of Pine Point, including common shares that became outstanding after the date of the execution of the Arrangement but before the effective time of the Arrangement upon the exercise of outstanding share options and warrants of Pine Point.

Under the Arrangement, Pine Point shareholders received, in exchange for each of their existing common shares of Pine Point: (i) 0.271 of a common share of Osisko Metals, (ii) 0.0677 of a common share purchase warrant of Osisko Metals, and (iii) one common share of Generation Mining; consolidated on a 10:1 basis under the Arrangement. The Company was formed for the sole purpose of participating in the Arrangement and had not carried on any active business other than in connection with the Arrangement and related matters. On February 16, 2018, Pine Point shareholders approved the Arrangement which was subsequently finalized on February 23, 2018. Pine Point shareholders received in aggregate 15,969,934 common shares of Generation Mining.

Pursuant to the Arrangement all exploration assets owned by Pine Point other than the Pine Point Project located in the Northwest Territories, as well as certain other assets and liabilities of Pine Point, were transferred to Generation Mining. The shares of Generation Mining were distributed to Pine Point shareholders under the terms of the Arrangement, the Company became a reporting issuer in British Columbia, Alberta, Nova Scotia, Northwest Territories, Yukon and Nunavut, and its shares became eligible for trading on the CSE on May 9, 2018. The primary business objective of the Company is to explore and further develop the Davidson Molydenum Project in British Columbia and its other mineral properties, and to continue to increase its portfolio of base and precious metal property assets through acquisition.

The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in future profitable mining operations. The Company's continued existence is dependent upon the discovery of economically recoverable ore reserves, the ability of the Company to obtain necessary financing to explore and develop potential ore reserves or by way of entering into joint venture arrangements, future profitable production, or alternatively, upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, non-compliance with regulatory requirements or aboriginal land claims.

The unaudited interim condensed financial statements of the Company have been prepared on the basis that the Company will continue as a going concern, which presumes that it will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The financial statements do not reflect any adjustments that might be necessary to the carrying value of the assets and liabilities which might be significant if the Company is unable to continue as a going concern.

1. NATURE OF OPERATIONS AND GOING CONCERN (continued):

As at March 31, 2018, the Company has a working capital surplus of $259,882 and an accumulated deficit of $1,424,879. Management is currently pursuing several financing alternatives to raise additional capital. The ability of the Company to continue as a going concern is dependent on the Company having access to financing to meet its operational cash needs. It is not possible to determine with any certainty the success or adequacy of these initiatives.

2. BASIS OF PREPARATION:

Statement of Compliance

The unaudited interim condensed financial statements 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 and approved for issue by the Board of Directors on May 28, 2018.

Basis of Measurement

The interim condensed financial statements have been prepared on the historical cost basis.

Functional and Presentation Currency

The interim condensed financial statements are presented in Canadian dollars, which is the functional currency of the Company.

Use of Estimates and Judgement

The preparation of these financial statements requires management to make judgements 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. Significant estimates and judgements include valuation of shares issued in non-cash transactions, the fair value of mineral properties transferred, the recoverability of mineral properties, management going concern assessment and the recognition of deferred income tax. On an ongoing basis, management evaluates its judgements 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 judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

3. SIGNIFICANT AND FUTURE ACCOUNTING POLICIES:

Income Taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income taxes are recorded to recognize tax benefits only to the extent, based on available evidence, that it is probable that they will be realized. The following temporary differences are not provided for: goodwill not deductible for tax purposes; and the initial recognition of assets or liabilities that affect neither accounting nor taxable loss.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates expected to be applied to temporary differences which may reverse, based on tax laws, enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are initially measured at fair value. Financial assets are classified into one of the following specified categories: amortized cost, fair value through profit or loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”). Two criteria are used to determine how financial assets should be classified and measured: (a) the Company’s business model for managing the financial assets; and (b) the contractual cash flow characteristics of the financial assets. Key management personnel have determined that the Company’s financial assets are held within a business model whose objective is to hold financial assets in order to collect cash flows. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the consolidated statement of loss.

The Company’s financial instruments are classified and subsequently measured as follows:

Asset / liability	Classification	Measurement model
Cash	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Long term debt	Amortized cost	Amortized cost

3. SIGNIFICANT AND FUTURE ACCOUNTING POLICIES (continued):

Financial instruments recorded at fair value

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in marking the measurements. The fair value hierarchy has the following levels:

• Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
• Level 2 – valuation techniques based on inputs other than quoted prices included within Level 1. Derivative instruments in this category are valued using models or standard valuation techniques derived from observable market inputs;
• Level 3 – valuation techniques using inputs that are less observable, unavailable or where the observable data does not support a significant portion of the instruments fair value.

The Exploration Property Business's cash is classified as Level 1. There have been no transfers between levels.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre- tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Mineral Properties

Exploration and evaluation costs including acquisition costs are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop a property are capitalised to mineral property, or plant and equipment. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated reserves as the depletion base. Consideration received under mineral property option agreements is recorded as other income.

Basic and Diluted Earnings (Loss) per Share

Basic earnings (loss) per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted earnings (loss) per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants, in the weighted average number of common shares outstanding during the period, if dilutive.

3. SIGNIFICANT AND FUTURE ACCOUNTING POLICIES (continued):

Reclamation Obligations

A legal or constructive obligation to incur restoration, rehabilitation, and environmental costs may arise when environmental disturbance is caused by the exploration, development, or ongoing production of a mineral property interest. The Company's exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and are generally becoming more restrictive.

The fair value of the liability for a reclamation obligation is recorded when it is incurred and the corresponding increase to the asset is amortized over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value.

Share Issuance Costs

Professional, consulting, regulatory fees and other costs that are directly attributable to the issuance of shares are charged to capital stock when the related shares are issued, net of any tax effects. Transaction costs of abandoned equity transactions are recognized in the statement of comprehensive income.

Future Accounting Changes

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRS Interpretation Committee that are mandatory for accounting periods beginning after January 1, 2019 or later periods. Updates that are not applicable or are not consequential to the Company have been excluded there from. The Company is in the process of evaluating the impact on its financial statements.

IFRS 16 *Leases* sets out the principles for the recognition, measurement and disclosure of leases. IFRS 16 provides revised guidance on identifying a lease and for separating lease and non-lease components of a contract. IFRS 16 introduces a single accounting model for all lessees and requires a lessee to recognize right-of-use assets and lease liabilities for leases with terms of more than 12-months, unless the underlying asset is of low value. Under IFRS 16, lessor accounting for operating and finance leases will remain substantially unchanged. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier application permitted for entities that apply IFRS 15 *Revenue from Contracts with Customers.*

4. FINANCIAL RISK FACTORS AND FAIR VALUE

The Company manages its exposure to a number of different financial risks arising from operations as well as from the use of financial instruments, including market risks (foreign currency exchange rate and interest rate), credit risk and liquidity risk, through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility. Financial risks are primarily managed and monitored through operating and financing activities. The Company does not use derivative financial instruments. The financial risks are evaluated regularly with due consideration to changes in key economic indicators and to up-to-date market information.

4. FINANCIAL RISK FACTORS AND FAIR VALUE (continued):

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

Credit Risk

Credit risk is the financial risk of non-performance of a contracted counter party. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. The Company's current policy is to invest excess cash in interest bearing deposits issued by its banking institution. The Company's maximum exposure to credit risk as at March 31, 2018 is the carrying value of cash. The Company's cash is held at a Canadian chartered bank.

Liquidity Risk

Liquidity risk encompasses the risk that the Company cannot meet its financial obligations in full. The Company's main source of liquidity is its cash. These funds are primarily used to finance working capital, exploration expenditures, capital expenditures, and acquisitions. The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. As at March 31, 2018, the Company has current assets of $399,477 to cover current liabilities of $139,595.

Market Risk

Foreign Currency Risk
Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Company has no significant exposure to foreign currency exchange risk as it has no significant transaction balances denominated in a foreign currency.

Interest Rate Risk
Interest rate risk is the risk borne by an interest-bearing asset or liability as a result of fluctuations in interest rates. The Company is exposed to interest rate fair value risk to the extent that a portion of the debt is at a fixed interest rate.

Fair Value

The carrying value of cash, accounts payable and accrued liabilities are considered to be representative of their fair value due to their short-term nature. The fair value of long-term debt is not considered to be materially different from its carrying value.

5. CAPITAL MANAGEMENT:

The Company manages its capital structure and makes adjustments to it, based on the funds required and available to the Company, in order to support the acquisition, exploration and development of mineral properties. As at March 31, 2018, the Company's capital consists of shareholder's equity in the amount of $1,435,084. The Board of Directors does not establish quantitative return on capital criteria for the Company, but rather relies on the expertise of the Company's management to sustain future development of the business. In this relatively formative stage of the Company's existence, it is likely that primary emphasis will continue to be placed on equity instruments, as funded debt is currently not available to the Company.

5. CAPITAL MANAGEMENT:

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements.

6. MINERAL PROPERTIES AND AGREEMENTS:

Darnley Bay Anomaly, Northwest Territories: The Company holds 100% of the rights to a mineral concession covering the Inuvialuit Settlement Region's 7(1)(a) lands where the Inuvialuit hold the mineral and surface rights. The area hosts base metal and diamond targets. The Company has an agreement regarding exploration and development with the Inuvialuit Regional Corporation which requires cash payments of $50,000 per year commencing in 2020, or when the TSX-Venture Exchange composite index reaches 1500, and minimum exploration expenditures of $1,000,000 per year commencing in 2020 and cumulative exploration expenditures of $6.3 million by 2025.

Darnley Bay Diamond, Northwest Territories: The Company and Diadem Resources Ltd. jointly hold 13 mineral leases on the Parry Peninsula northeast of Paulatuk in the Inuvialuit Settlement Region's 7(1)(b) lands where the Inuvialuit hold the surface rights and the Crown holds the mineral rights. The focus is on diamond exploration. Diadem is currently responsible for all expenses relating to the property.

Davidson, British Columbia: The Company has an option to acquire a 100% interest in a property hosting a molybdenum-tungsten deposit which consists of six mineral leases and two mining claims covering an area of 2,087 hectares. The option agreement was signed on April 1, 2016 and payments totalling $150,000 were made prior to March 31, 2018. There is an ongoing commitment of $100,000 on each anniversary of the agreement until commercial production is achieved or the agreement is terminated. Upon commercial production, the vendor will be entitled to a net smelter return royalty of 3%. On April 1, 2018, the second anniversary payment of $100,000 on the Davidson property was paid.

Clear Lake, Yukon Territory: The Company has an option to earn a 100% interest in a zinc-lead-silver property consisting of 121 claims covering approximately 2,479 hectares. The option agreement was signed on May 24, 2016 and is subject to a 2% net smelter return royalty. Agreement payments of $31,000 and a work commitment of $25,000 were fulfilled as at March 31, 2018. Additional commitments consist $475,000 in exploration expenditures to include 3,000 meters of drilling on the property on or before March 31, 2019, three remaining anniversary payments ($10,000, $20,000 and $40,000) from March 31, 2019, and the completion of 1,500 meters of drilling and payment of $25,000 in each of 2020 and 2021. A final commitment of $125,000 is to be made upon completion of a NI 43 – 101 technical report.

Nak, **British Columbia**: The Company has an option to earn a 100% interest in a copper-gold project consisting of 14 mineral claims over 1,603 hectares. The option agreement was signed on August 30, 2016 and is subject to a 2% royalty of which 62.5% can be purchased from the vendor for $1.5 million. There have been $30,000 in cash payments and a $12,500 work commitment made as at March 31, 2018. Continuing commitments include $15,000 on the next two anniversaries of signing, $30,000 on the fourth anniversary and $60,000 on the fifth anniversary. Bonus payments to the vendor will consist of $25,000 on 1,500 metres of drilling and a further $25,000 upon a total of 3,000 metres of drilling.

(Expressed in Canadian dollars)

6. MINERAL PROPERTIES AND AGREEMENTS (continued):

Nak, **British Columbia (continued)**: The Company has a work commitment of $12,500 to be made by June 26, 2018 and a balance of $450,000 by August 31, 2019.

Kennetcook, Nova Scotia: On March 16, 2018, the Company entered into a Claims Acquisition Agreement to acquire a 100% interest in an exploration property with potential to host lead-zinc-silver-copper in central Nova Scotia consisting of nine mineral licenses, or 690 claims, totalling 11,040 hectares in Hants County. The Company is committed to issue 3,000,000 common shares to the vendors (note 7 and note 12).

In the period from incorporation to March 31, 2018, there was $40,880 spent on exploration and evaluation and $110,000 spent on agreement payments for a total of $150,880 on the mineral properties mentioned above. On February 23, 2018, the value of mineral properties transferred to the Company through the plan of arrangement was $1,216,848.

	March 31, 2018	Exploration and Evaluation	Acquisition Agreements	January 11, 2018
Darnley Bay Anomaly	1,500	1,500	-	-
Darnley Bay Diamond	-	-	-	-
Davidson	139,380	39,380	100,000	-
Nak	-	-	-	-
Clear Lake	10,000	-	10,000	-
Kennetcook	-	-	-	-
Total expenditures in the period	$ 150,880	$ 40,880	$ 110,000	-
Transfer of mineral properties	1,216,848			
Total mineral property expense	$ 1,367,728			

7. RELATED PARTY TRANSACTIONS:

Key management of the Company includes its directors, Chief Executive Officer and Chief Financial Officer. Compensation to key management is paid in the form of cash until such time that and a stock-based compensation plan is adopted (note 12).

During the period from incorporation to March 31, 2018, executive management fees of $8,300 were charged by key management of the Company.

On March 16, 2018, two directors of the Company acted as vendors in the Claims Acquisition Agreement for the Kennetcook property, through companies under their control. Under the terms of the Claims and Acquisition Agreement, each director received 750,000 common shares of the Company.

As at March 31, 2018, accounts payable include $29,299 due to the related parties mentioned above.

Management believes these transactions are in the normal course of business and are measured at the fair value.

8. CAPITAL STOCK:

a) Common shares:

The Company's authorized share capital consists of an unlimited number of common shares.

On January 11, 2018, the Company issued one issuer share.

On February 23, 2018, as a result of the Arrangement agreement, the issuer share was cancelled and each of the common shares of Pine Point were exchanged for one common share of the Company which were consolidated on a 10:1 basis resulting in a total of 15,969,934 common shares issued to shareholders of Pine Point. The issued shares were independently valued at $0.096.

b) Stock Option Plan:

At March 31, 2018, the Company had not put in place an Incentive Stock Option Plan, nor does it have any options outstanding to purchase common shares. A plan was adopted in the subsequent period (Note 12).

9. BASIC AND DILUTED LOSS PER SHARE:

Basic loss per share has been calculated by dividing the net loss per financial statements by the weighted average number of shares outstanding during the period. The fully diluted loss per share would be calculated using a common share balance increased by the number of common shares that could be issued on the exercise of outstanding warrants and options of the Company.

10. COMMITMENTS AND CONTRACTUAL OBLIGATIONS:

The Company was assigned an amending agreement to renew its office lease for the period June 1, 2017 to May 31, 2019 with a monthly commitment of $8,889 which includes basic and additional rent.

11. DEBT:

Debt consists of unsecured debt plus accrued interest owing to a former officer of Pine Point Mining Limited and assigned to the Company on February 23, 2018. The debt bears interest at 10% and is repayable in monthly blended principal and interest payments of $1,000. Payments were suspended on March 30, 2012.

12. SUBSEQUENT EVENTS:

a) On April 9, 2018, the Company issued an aggregate of 3,000,000 common shares to the vendors of the Kennetcook Property pursuant to the Claims Acquisition Agreement dated March 16, 2018.

b) On April 20, 2018, the Company completed a non-brokered private placement through the issuance of 22,550,000 units at a price of $0.10 per unit, and the issuance of 2,450,000 flow-through common shares at a price of $0.10 per flow-through share for aggregate proceeds of $2,500,000. Each unit consists on one common share and one-half of one common shares purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of $0.20 until April 20, 2020. Cash commissions to finders were paid at 6% of the proceeds raised and finder's warrants were issued representing 6% of the securities purchased. Each finder's warrant entitles the holder to purchase one common share at $0.10 per common share until April 20, 2020

12. SUBSEQUENT EVENTS (continued):

c) On April 25, 2018, the Company completed a second tranche of its non-brokered private placement raising additional proceeds of $100,000 through issuance of 500,000 units at a price of $0.10 per unit, and the issuance of 500,000 flow-through common shares at a price of $0.10 per flow-through share. Each unit consists on one common shares and one-half of one common shares purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of $0.20 until April 25, 2020. Cash commissions to finders were paid at 6% of the proceeds raised and finder's warrants were issued representing 6% of the securities purchased. Each finder's warrant entitles the holder to purchase one common share at $0.10 per common share until April 25, 2020.

d) On May 9, 2018, the Company adopted an incentive Stock Option Plan (the "Plan"). Under the Plan, options are non-assignable and may be granted for a term not exceeding five years. The total number of common shares that may be reserved for issuance may not exceed ten percent of outstanding common shares at the grant date and may not exceed five percent for any one person in any 12-month period. The exercise price of an option may not be lower than the discounted market price of the common shares on the Canadian Securities Exchange. The options are non-transferable. Outstanding options may be adjusted by the Board in certain events, as to exercise price and number of common shares, to prevent dilution or enlargement. Pursuant to the adoption of the Plan and in accordance with its terms, the Company granted an aggregate of 3,000,000 options to purchase common shares for a price of $0.10 over a period of five years to officers, directors and consultants of the Company.

e) On May 10, 2018, the Company entered into an option agreement to acquire a 100% interest in the Alberta Zinc project near High Level, Alberta covering 60,000 hectares and consisting of three claims and five pending claims. The Company paid $10,000 and issued 500,000 common shares to the vendor upon signing, and committed to a minimum of $100,000 in expenditures on the property by December 8, 2018, making a further payment of $50,000 (in cash or shares) on the first anniversary date and spending an additional $200,000 before the second anniversary of the agreement. The property is subject to a 2% gross metals royalty, of which half can be purchased by the Company at any time for $1 million.

f) On May 14, 2018, the Company issued 500,000 common shares to the vendor of the Alberta Zinc property pursuant to the option agreement dated March 10, 2018.