Copperbank Resources Corp.

Condensed Consolidated Interim Financial Statements

Three and Nine Months ended September 30, 2017 and 2016

(Unaudited - Expressed in Canadian Dollars)

NOTICE TO READERS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the accompanying condensed consolidated interim financial statements

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

Copperbank Resources Corp.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	**September 30, 2017**	**December 31, 2016**
		$	$
Assets			
Current assets			
Cash		185,712	47,316
Other receivable		28,862	20,329
Prepaid expenses and deposit		34,000	9,251
		248,574	76,896
Note receivable		9,332	15,141
Reclamation deposit	5	2,496	2,685
Resource properties	5	6,743,282	4,634,075
Total Assets		7,033,684	4,728,797
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		103,781	209,359
Due to related parties	6	–	26,231
		103,781	235,590
Shareholders' equity (deficiency)			
Share capital	4	16,695,370	13,519,605
Reserves		22,646,877	22,254,306
Deficit		(32,442,344)	(31,280,704)
		6,899,903	4,493,207
Shareholders' Equity and Liabilities		7,003,684	4,728,797
Nature of operations and going concern	1		
Subsequent events	9		

Approved and authorized for issuance by the Board of Directors on November 28, 2017

"Tony Ricci"	*"Gianni Kovacevic "*
Director	Director

See accompanying notes to the condensed consolidated interim financial statements

Copperbank Resources Corp.
Condensed Consolidated Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
		$	$	$	$
EXPENSES					
Amortization		–	–	–	256
Consulting and management fees	6	140,174	81,097	471,921	234,302
Mineral property maintenance	5(b)	47,370	46,614	56,281	46,614
Filing fees and shareholders' services		20,550	(1,054)	36,664	16,768
Insurance		4,421	631	10,421	2,422
Rental		5,790	2,935	28,224	32,414
Office and administration		9,555	6,813	25,332	12,086
Promotion, advertisement and shareholder relations		24,257	13,543	54,843	143,163
Professional fees		43,298	6,611	89,653	17,772
Share-based compensation	4	125,300	6,407	318,000	42,457
Travel		44,169	16,077	70,753	54,356
Loss before other items:		(464,884)	(179,674)	(1,162,092)	(602,610)
Other items:					
Gain on disposal of equipment previously written off		–	–	–	32,921
Interest and other income		120	151	452	700
Total other items		120	151	452	33,621
Net loss		(464,764)	(179,523)	(1,161,640)	(568,989)
Other comprehensive loss:					
Exchange gain (loss) on translating foreign operations		(2,412)	(2,558)	(3,029)	(15,756)
Comprehensive loss		**(467,176)**	**(182,081)**	**(1,164,669)**	**(584,745)**
Loss per share, basic and diluted		**(0.00)**	**(0.00)**	**(0.01)**	**(0.00)**
Weighted average number of outstanding shares		**176,880,576**	**142,927,330**	**164,614,230**	**138,643,182**

See accompanying notes to the condensed consolidated interim financial statements

Copperbank Resources Corp.
Condensed Consolidated Interim Statements of Changes in Equity (Deficiency)
(Unaudited - Expressed in Canadian dollars)

	Common shares		Reserves					
	Number	**Amount**	**Warrants**	**Options**	**Other**	**Accumulated other comprehensive loss**	**Deficit**	**Total**
December 31, 2015	133,098,990	12,931,471	2,672,391	173,287	16,182,235	3,201,251	(30,645,976)	4,514,659
Issuance of shares for cash	7,500,000	300,000	–	–	–	–	–	300,000
Issuance of shares for debt	2,328,340	116,417	–	–	–	–	–	116,417
Shared-based compensation	–	–	–	42,457	–	–	–	42,457
Translation from foreign subsidiaries	–	–	–	–	–	(15,756)	–	(15,756)
Net loss	–	–	–	–	–	–	(568,989)	(568,989)
September 30, 2016	**142,927,330**	**13,347,888**	**2,672,391**	**215,744**	**16,182,235**	**3,185,495**	**(31,214,965)**	**4,388,788**
December 31, 2016	145,614,830	13,519,605	2,672,391	209,409	16,182,235	3,190,271	(31,280,704)	4,493,207
Issuance of shares for debt (Note 4 (b) and Note 6)	1,675,000	183,000	–	–	–	–	–	183,000
Issuance of shares for cash	31,840,033	2,992,765	77,600	–	–	–	–	3,070,365
Shared-based compensation	–	–	–	318,000	–	–	–	318,000
Translation from foreign subsidiaries	–	–	–	–	–	(3,029)	–	(3,029)
Net loss	–	–	–	–	–	–	(1,161,640)	(1,161,640)
September 30, 2017	**179,129,863**	**16,695,370**	**2,749,991**	**527,409**	**16,182,235**	**3,187,242**	**(32,442,344)**	**6,899,903**

See accompanying notes to the condensed consolidated interim financial statements

Copperbank Resources Corp.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

Nine months ended September 30,	**2017**	**2016**
	$	$
Operating activities		
Net loss for the period	(1,161,640)	(568,989)
Items not involving cash		
Amortization	–	256
Gain on disposal of equipment previously written off	–	(32,921)
Share issued for consulting and management fees	183,000	–
Share-based compensation	318,000	42,457
Changes in non-cash working capital		
Prepaid expenses and deposits	(24,749)	93,164
Receivable and note receivable	(3,725)	61,944
Due to related party	(26,231)	154,999
Accounts payable and accrued liabilities	(160,578)	(970)
Cash used in operating activities	(875,923)	(250,060)
Financing activities		
Proceeds from share issuance	3,070,365	300,000
Cash provided by financing activities	3,070,365	300,000
Investing activities		
Proceeds from sale of equipment	–	15,251
Expenditure of resource properties	(2,054,207)	(160,735)
Cash Used in investing activities	(2,054,207)	(145,484)
Effect of change in foreign currency	(1,839)	2,059
Net Increase (Decrease) in Cash	138,396	(93,485)
Cash, Beginning of Period	47,316	114,773
Cash, End of Period	**185,712**	**21,288**

See accompanying notes to the condensed consolidated interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Copperbank Resources Corp. (the "Company" or "Copperbank") was incorporated on October 21, 2014 under the *Business Corporation Act* (British Columbia). The Company's head office and principal address is located at Suite 2706 - 1011 West Cordova Street, Vancouver, British Columbia, V6B 0C2. The Company's shares are traded on the Canadian Securities Exchange ("CSE") under the symbol "CBK", and its principal business is the acquisition and development of mineral properties.

Going concern

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Accordingly, these condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company is a resource exploration stage company, which does not generate any revenue and has been relying on equity-based financing to fund its operations. At September 30, 2017, the Company has an accumulated deficit of $32,425,344 and recurring losses since inception. The Company will require additional financing either through equity or debt financing, sale of assets, joint venture arrangements or a combination thereof to meet its administrative costs and to continue to explore and develop its mineral properties. There is no assurance that sufficient future funding will be available on a timely basis or on terms acceptable to the Company. These conditions indicate the existence of material uncertainties that cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern is in significant doubt.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and maintain an adequate level of financial resources to discharge its ongoing obligations. Management seeks to raise capital, when necessary, to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management's plan will be successful, as it is dependent on prevailing capital market conditions and the availability of other financing opportunities.

2. STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements together with the comparative figures herein 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 condensed consolidated interim financial statements do not include all the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the audited annual financial statements of the Company for the most recent year ended December 31, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has not changed its accounting policies since its recent year ended December 31, 2016. The Company has applied its accounting policies consistently by the Company and its subsidiary for all periods presented.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments carried at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of preparation (continued)

These consolidated financial statements incorporate the accounts of the Company and its wholly-owned subsidiaries, Enexco International Inc. ("Enexco US") (Nevada), 1016079 B.C Ltd. (British Columbia), and Copperbank Resources Alaska Inc. (Alaska). A subsidiary is an entity in which the Company has control, where control requires exposure or rights to variable returns and the ability to affect those returns through power over the investees. All intercompany transactions and balances have been eliminated on consolidation.

Accounting standards issued but not yet adopted

Disclosure Initiative (Amendments to IAS 7 *Statement of Cash Flows*)

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, and are effective for annual periods beginning on or after January 1, 2017 with earlier application is permitted.

Applicable to the Company's annual period beginning January 1, 2017.

Recognition of Deferred Tax Assets for Unrealized Losses (Amendments to IAS 12 *Income Taxes*)

The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value, and are effective for annual periods beginning on or after January 1, 2017 with earlier application permitted.

Applicable to the Company's annual period beginning January 1, 2017.

IFRS 9 *Financial Instruments*

IFRS 9 will replace IAS 39 *Financial Instruments: Recognition and Measurement* and IFRIC 9 *Reassessment of Embedded Derivatives*. The final version of this new standard supersedes the requirements of earlier versions of IFRS 9.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

- *Classification and measurement of financial assets:*
  Debt instruments are classified and measured on the basis of the entity's business model for managing the asset and its contractual cash flow characteristics as either: "amortized cost", "fair value through other comprehensive income", or "fair value through profit or loss" (default). Equity instruments are classified and measured as "fair value through profit or loss" unless upon initial recognition elected to be classified as "fair value through other comprehensive income".

- *Classification and measurement of financial liabilities:*
  When an entity elects to measure a financial liability at fair value, gains or losses due to changes in the entity's own credit risk is recognized in other comprehensive income (as opposed to previously profit or loss). This change may be adopted early in isolation of the remainder of IFRS 9.

- *Impairment of financial assets:*
  An expected credit loss impairment model replaced the incurred loss model and is applied to financial assets at "amortized cost" or "fair value through other comprehensive income", lease receivables, contract assets or loan commitments and financial guarantee contracts. An entity recognizes twelve-month expected credit losses if the credit risk of a financial instrument has not increased significantly since initial recognition and lifetime expected credit losses otherwise.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting standards issued but not yet adopted (continued)
IFRS 9 *Financial Instruments (continued)*

- *Hedge accounting:*
  Hedge accounting remains a choice, however, is now available for a broader range of hedging strategies. Voluntary termination of a hedging relationship is no longer permitted. Effectiveness testing now needs to be performed prospectively only. Entities may elect to continue to applying IAS 39 hedge accounting on adoption of IFRS 9 (until the IASB has completed its separate project on the accounting for open portfolios and macro hedging).

Applicable to the Company's annual period beginning January 1, 2018.

Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2 *Share-based Payment*)

The amendments provide guidance on the accounting for:

- the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- share-based payment transactions with a net settlement feature for withholding tax obligations; and
- a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

Applicable to the Company's annual period beginning January 1, 2018.

IFRS 16 *Leases*

This new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease.

The main features of the new standard are as follows:

- An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period in exchange for consideration.
- A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets.
- A lease asset is initially measured at cost, and is then depreciated similarly to property, plant and equipment. A lease liability is initially measured at the present value of the unpaid lease payments.
- A lessee presents interest expense on a lease liability separately from depreciation of a lease asset in the statement of profit or loss and other comprehensive income.
- A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly.
- A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

The new standard supersedes the requirements in IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases – Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

Applicable to the Company's annual period beginning January 1, 2019.

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(Unaudited - Expressed in Canadian dollars)

4. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value.

b) Issued and outstanding

During the nine months ended September 30, 2017, the Company issued the following common shares

- 500,000 common shares for the settlement of $50,000 accounts payable with its CEO and 400,000 common shares for the settlement of $40,000 payable to an external consultant at $0.10/share.
- 625,000 common shares for the settlement of $75,000 accounts payable with its CEO and 150,000 common shares issued to the CFO for the settlement of $18,000 payable at $0.12/share.
- 22,500,000 common shares at $0.08/share for cash proceeds of $1,800,000. Cash commissions of $5,640 was paid.
- 4,166,667 common shares at $0.12/share for cash proceeds of $500,000
- 5,173,366 units at $0.15/unit for cash proceeds of $776,005. Each unit consists of one common share and a warrant that is exercisable at $0.25 per share for a five-year period after issuance. If common shares of the Company trade at 0.40 per share for twenty consecutive trading days, the Company can accelerate the conversion of these warrants. The Company has applied the residual method and allocated $698,405 and $77,600 to share capital and reserve for warrants respectively.

The Company will use the proceeds from the shares issuance for its working capital.

c) Warrants

The Continuity of the Company's share purchase warrants is as follows:

	Number outstanding	Expiry date	Exercise price
Balance, December 31, 2016	74,238,004	October 20, 2019	$0.50 per share
Issuance, August 21, 2017	5,173,366	August 21, 2022	$0.25 per share
Balance, September 30, 2017	79,411,370		

d) Options

The Company has a "rolling" stock option plan (the "Plan") that allows the Company to grant options to its employees, directors, consultants and officers. Under the terms of the Plan, the exercise price of each option will not be lower than the lowest exercise price permitted by the applicable stock exchange. The Plan allows for a maximum of 10% of outstanding shares to be issued.

Options have a maximum term of five years and terminate up to 90 days following the date on which an optionee ceases to be an employee, director, consultant or officer, and up to 30 days following the date on which an optionee who is engaged to provide investor relations activities ceases to be engaged to provide such services. In the case of death, the option terminates at the earlier of twelve months after the date of death and the expiration of the option period.

During the nine months ended September 30, 2017, the Company granted the following stock options:

- 6,650,000 stock options with an exercise price of $0.10 and an expiry date February 24, 2022 and;
- 650,000 stock options with an exercise price of $0.13 per share .

These options will vest semi-annually in a 24-month period (Note 9)

(Unaudited - Expressed in Canadian dollars)

4. SHARE CAPITAL (Continued)

d) Option (continued)

The Company recognized stock based compensation of $318,000 during the nine months ended September 30, 2017 (2016 - $42,457). The Company used the Black-Scholes option pricing model and the following assumptions to determine the fair values of the stock options:

	2017	2016
Risk-free interest rate	1.09% to 1.64%	0.69%
Expected life of options	5 years	5 years
Annualized volatility	200% - 218%	210%
Dividend rate	0.00%	0.00%

Options activity for the nine months ended September 30, 2017 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2016	4,350,000	$0.09
Granted	7,300,000	$0.10
Outstanding, September 30, 2017	11,650,000	$0.10
Exercisable, September 30, 2017	5,887,500	$0.10

As at September 30, 2017 and December 31, 2016, the following stock options were outstanding:

		Number of Options	
Expiry Date	Exercise Price	**2017/9/30**	**2016/12/31**
February 5, 2020	$ 0.10	3,350,000	3,350,000
June 8, 2020	$ 0.10	500,000	500,000
April 11, 2021	$ 0.05	500,000	500,000
February 24, 2022	$0.10	6,650,000	-
August 21, 2022	$0.13	650,000	-

The remaining contractual life of the options as at September 30, 2017 was 3.71 years.

(Unaudited - Expressed in Canadian dollars)

5. RESOURCE PROPERTIES

a) Pyramid property, Alaska

The Company, through an amalgamation with Full Metal, acquired its interest in the Pyramid Project in 2014. Full Metal has an option agreement ("Pyramid Agreement") with The Aleut Corporation ("TAC"), an Alaska Regional Native Corporation for the acquisition of a 100% interest in subsurface mineral rights covering the Pyramid project.

The commitment related to the Pyramid property is as follows:

1) Pay the following cash payments:

Date (on or before)	Amount (USD)$	
January 1, 2011	35,000	(paid)
January 1, 2012	40,000	(paid)
January 1, 2013	45,000	(paid)
January 1, 2014	50,000	(paid)
January 1, 2015	55,000	(paid)
January 1, 2016	60,000	(paid)
January 1, 2017	60,000	(shares issued in lieu of cash)

2) Incurred $4,500,000 of exploration expenditures by December 31, 2016.

Date	Annual expenditures (USD)$	
December 31, 2010	300,000	(incurred)
December 31, 2011	300,000	(incurred)
December 31, 2012	400,000	(incurred)
December 31, 2013	500,000	(incurred)
December 31, 2014	1,000,000	(incurred)
December 31, 2015	1,000,000	(incurred)
December 31, 2016	1,000,000	(incurred)
Total	4,500,000	

At any time prior to December 31, 2016, the Company could have entered into a mining lease with TAC. Upon entry into the mining lease, the Company will make annual advanced royalty payments escalating from US$25,000 in the first year to US$400,000 on the sixteenth anniversary and subsequent years. In the event of the Company delivering a feasibility study, the Company will transfer 100,000 of its own common shares to TAC, subject to approval from the TSX Venture Exchange. Upon commencement of commercial production, the Company will pay a net smelter return ("NSR") royalty to TAC of 2.5% for all commodities, except for gold and other precious metals. For gold and other precious metals, the Company will pay a sliding scale NSR royalty of 2% to 5% depending on the price of gold.

The Company has not entered into a mining lease with TAC as at September 30, 2017.

Option agreement with Antofagasta Minerals

On August 6, 2010, Full Metal entered into an option agreement with Antofagasta Minerals to explore the Pyramid property claims. Antofagasta Minerals can earn an initial 51% interest by fulfilling the following:

1) Pay a total of US$200,000 by August 20, 2014 (received); and
2) Incur a total of US$6,000,000 in exploration expenditures by August 20, 2014 (incurred).

During the year ended May 31, 2013, Antofagasta Minerals completed all required cash payments and exploration expenditures, and therefore earned a 51% interest in the Pyramid property. All exploration expenditures were incurred by the Company and subsequently reimbursed by Antofagasta Minerals. The schedule of Pyramid mineral property costs does not include these costs.

(Unaudited - Expressed in Canadian dollars)

5) RESOURCE PROPERTIES (Continued)

a) Pyramid property, Alaska (continued)

Antofagasta Minerals can further earn an additional 14% interest for a total aggregate 65% interest by preparing and delivering at its sole cost, a scoping study costing a minimum of US$4,000,000 in expenditures within two years of earning 51% initial interest. Antofagasta Minerals can then earn an additional 15% interest for a total aggregate 80% interest by funding at its sole cost a feasibility study on the Pyramid property project within two years after obtaining the additional 15% interest. Antofagasta Minerals is also required to reimburse the Company for certain of its obligations relating to the Aleut Agreement – Pyramid, the Shumagin Letter Agreement and the TDX Agreement (collectively, the “Property Agreements”).

The continuity of the Pyramid Properties is as follows:

Balance, December 31, 2016	$	4,634,075
Annual option fees and maintenance of permit		121,859
Drilling		1,949,704
Infrastructure study		37,644
Balance, September 30, 2017	$	6,743,282

Reacquisition of Antofagasta Minerals’ interest

On March 5, 2014 (the “Assignment Date”), Full Metal reacquired the 51% interest in the Pyramid property (the “Assignment Agreement”) previously earned by Antofagasta Minerals under the 2010 option agreement discussed above.

In July 2017, the Company entered into an amendment for the Assignment Agreement with respect to its interest in Antofagasta Minerals. Total consideration, after the amendment is comprised of the following :

- US$ 150,000 cash and issue 1,000,000 common shares of the Company to the optionor by March 4, 2019
- US$ 5,500,000 cash upon the occurrence of a construction decision in respect of the Pyramid Project
- US$2,500,000 cash upon the commencement of commercial production in respect of the Pyramid Project.

i. Certain provisions in the Assignment Agreement, if triggered, would require the First Assignment Payment to become due and payable within 15 days after the occurrence of an accelerating event. The accelerating event is defined in the Assignment Agreement as not maintaining in good standing, one or all of, the Property Agreements, with the term “good standing” having a meaning as defined in each of the Property Agreements regarding the terms and conditions of default.

ii. Shumagin Agreement – Pyramid Surface Rights:

On August 5, 2011, Full Metal and Shumagin Corporation, an Alaska Native Village Corporation, signed an agreement for a surface rights mining Exploration Agreement and Option to Lease in respect of the Pyramid property. The agreement terms include annual cash payments totaling US$290,000 through December 31, 2016 (US$70,000 paid, US$50,000 of which was paid by Antofagasta Minerals).

As at December 31, 2016, a payable of $107,416 (US$ 80,000) has been accrued which was fully paid in 2017.

(Unaudited - Expressed in Canadian dollars)

5) RESOURCE PROPERTIES (Continued)

b) Pyramid property, Alaska (continued)

iii. TDX Agreement – Pyramid Surface Rights:

On July 15, 2010, Full Metal and TDX Pyramid LLC ("TDX Pyramid"), an affiliate of an Alaska Native Village Corporation, signed an Exploration Agreement with Option to Lease covering surface lands at the Pyramid property. Under this agreement, the Company must make an initial option payment of US$15,000 (paid by Antofagasta Minerals) upon the effective date of the agreement, and annual cash payments totaling US$171,000 over seven years, of which US$52,000 has been paid from 2012 through 2014 (paid by Antofagasta Minerals). At any time prior to December 31, 2016, the Company may enter into a Lease Agreement with TDX Pyramid. On or before the effective date of the lease and then on or before each anniversary during the term of the lease until there is commercial production, the Company shall pay to TDX Pyramid an annual rental equal to 10% of the fair market value of the lease area.

The Company terminated the surface right agreement during 2016 with US$100,000 of which $40,000 was paid in fiscal 2016 and the remaining was paid in early 2017.

b) Contact Property, Nevada

The Company owns a 100% interest in the Contact property located in Elko County, Nevada.

The Company has deposited $2,595 (2016/12/31 - $2,685) with the Bureau of Land Management, Nevada, for potential reclamation costs. This property was fully impaired during fiscal 2015. Since the impairment, the Company has been paying all the required permit maintenance to maintain the title in good standing.

6. RELATED PARTY TRANSACTION

During the nine months ended September 30, 2017 and 2016, the Company incurred the following transactions with key management members and the directors of the Company:

	Nature	2017 $	2016 $
Key management	Rent	18,000	12,000
Key management	Management fees	253,000	180,000
Directors	Consulting fees	27,230	-
Key management and directors	Share-based payments	186,000	38,202

Included in the Company's due to related party is an amount owing to key management members and directors of $13,000 (2016/12/31 - $26,231). Due to related party has the same terms as the Company's trade payable, which is unsecured and non-interesting-bearing.

The Company issued 1,275,000 common shares to its CEO and CFO for the settlement of payables totaling $143,000 (Note 4(b)).

During the nine months ended September 30, 2017, the Company borrowed $400,000 non-interest-bearing advance from the CEO that was settled with the issuance of 5,000,000 common shares on May 11, 2017 (part of the 22,500,000 share issuance (Note 4 (b)).

7. SEGMENTED INFORMATION

The Company operates primarily in one business segment, which is the exploration and development of resource properties located in the United States. The Company's non-current assets was $6,755,110 which comprised mainly of resource properties and a reclamation bond that are in the United States.

8. FINANCIAL INSTRUMENTS

Financial instruments that are not measured at their fair values consist of cash, other receivable, note receivable, accounts payable and accrued liabilities, and due to related party. The carrying values of these financial instruments approximate their fair values due to their short-term nature.

Fair value

Financial assets and liabilities that are recognized on the statement of financial position at fair value can be classified in a hierarchy that is based on the significance of the inputs used in making the measurements. The levels in the hierarchy are:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

9. SUBSEQUENT EVENTS

In November 2017, the Company has issued 2,000,000 common shares through a private placement to raise gross proceeds of $260,000 and issued 1,701,922 common shares to settle payables to management and contractors at $0.13 per share