WHITE GOLD CORP

(Formerly G4G Capital Corp.)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

(Stated in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements in accordance with standards established by CPA Canada for a review of interim consolidated financial statements by an entity's auditor.

White Gold Corp. (Formerly G4G Capital Corp.)
Condensed Consolidated Statements of Financial Position
As at September 30, 2018 and December 31, 2017

(Stated in Canadian Dollars)

As at	**September 30, 2018**	December 31, 2017
Assets		
Current assets		
Cash & cash equivalents	**$ 7,631,328**	$ 11,457,964
Amounts receivable [Note 5]	**1,586,491**	855,684
Prepaid expenses	**1,244,319**	-
	10,462,138	12,313,648
Non-Current assets		
Property bonds [Note 6]	**20,122**	20,122
Property, plant & equipment	**48,261**	62,272
Exploration and evaluation assets [Note 6]	**88,356,496**	77,689,056
	88,424,879	77,771,450
Total Assets	**$ 98,887,017**	$ 90,085,098
Liabilities		
Current liabilities		
Accounts payable	**$ 230,727**	$ 193,593
Accrued liabilities	**-**	29,205
Due to related parties [Note 7]	**3,158,158**	2,239,950
Flow-through share premium liability [Note 12]	**360,523**	314,997
	3,749,408	2,777,745
Non-Current liabilities		
Contingent liability & advance royalty [Note 10]	**8,228,064**	6,588,016
Deferred income tax liability	**1,680,067**	2,216,000
	13,657,539	11,581,761
Shareholders' equity		
Share capital [Note 8]	**96,456,281**	88,879,183
Contributed surplus	**4,680,450**	4,227,295
Accumulated deficit	**(15,907,253)**	(14,603,141)
	85,229,478	78,503,337
Total Liabilities and Equity	**$ 98,887,017**	$ 90,085,098

Subsequent events [Note 14]

Approved on behalf of the Board: (*Signed*) *"Maruf Raza"* — Maruf Raza, Director; *(Signed)* "*David D'Onofrio*" — David D'Onofrio, Director

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

White Gold Corp. (Formerly G4G Capital Corp.)
Condensed Consolidated Statements of Operations and Comprehensive Loss
For the three and nine months ended September 30, 2018 and 2017

(Stated in Canadian Dollars, except number of shares)

	Three months ended		Nine months ended	
	September 30, 2018	September 30, 2017	**September 30, 2018**	September 30, 2017
Expenses				
Interest and bank charges	**$ 316**	$ 645	**$ 1,488**	$ 969
Advance royalty accretion expense	**25,293**	26,872	**50,294**	26,872
Contingent liability accretion expense	**825,440**	-	**1,633,365**	-
Consulting fees	**285,000**	47,549	**384,400**	257,549
Depreciation	**4,670**	-	**14,011**	-
Salary and wages	**148,329**	36,000	**347,382**	108,000
Office, administration and marketing	**255,112**	88,720	**463,365**	264,647
Insurance	**3,141**	(535)	**23,893**	20,195
Travel expenses	**57,918**	113,974	**89,216**	124,996
Conferences and events	**31,751**	29,326	**91,923**	79,529
Professional fees	**99,783**	43,624	**152,244**	124,547
Stock based compensation [Note 9]	**66,296**	66,581	**199,458**	199,011
Transfer agent, regulatory	**59,499**	14,885	**94,917**	145,477
Loss before undernoted items	**(1,862,548)**	(467,641)	**(3,545,956)**	(1,351,792)
Interest income	**16,107**	50,421	**67,162**	141,405
Income from Flow-through share premium	**1,376,218**	233,333	**1,638,749**	466,666
Deferred income tax recovery	**166,412**	-	**535,933**	-
Net loss and comprehensive loss for the period	**$ (303,811)**	$ (183,877)	**$(1,304,112)**	$ (743,721)
Basic and diluted loss per share [Note 8]	**$ (0.00)**	$ (0.00)	**$ (0.01)**	$ (0.01)
Weighted average shares outstanding	**91,935,738**	88,183,193	**91,885,738**	73,361,350

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

White Gold Corp. (Formerly G4G Capital Corp.)
Condensed Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2018 and 2017

(Stated in Canadian Dollars, except number of shares)

	Number of shares	Share Capital $	Contributed Surplus $	Deficit $	Total Equity $
Balance at January 1, 2018	88,390,611	88,879,183	4,227,294	(14,603,141)	78,503,336
Private placement (July 5)	10,526,720	9,717,712			9,717,712
Agent warrants issued (July 5)			282,655		282,655
Share issuance costs		(533,389)			(533,389)
Flow-through share premium liabilities		(1,684,275)			(1,684,275)
Share issued (warrants exercised)	178,125	77,050	(28,957)		48,093
Stock based compensation			199,458		199,458
Net loss for the period				(1,304,112)	(1,304,112)
Balance at September 30, 2018	**99,095,456**	**96,456,281**	**4,680,450**	**(15,907,253)**	**85,229,478**

Balance at January 1, 2017	60,725,986	35,492,169	3,653,148	(11,333,298)	27,812,019
Private placement (March 21)	5,555,500	9,999,900			9,999,900
Private placement (June 14)	4,356,000	8,755,560			8,755,560
Shares issued (warrants exercised)	115,625	31,219			31,219
Shares issued (property acquisition)	17,500,000	35,175,000			35,175,000
Agent warrants issued (March 21)			325,506		325,506
Share issuance costs		(1,037,813)			(1,037,813)
Flow-through share premium liabilities		(1,166,655)			(1,166,655)
Stock based compensation			199,011		199,011
Net loss for the period				(743,878)	(743,878)
Balance at September 30, 2017	**88,253,111**	**87,249,380**	**4,177,665**	**(12,077,176)**	**79,349,869**

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

White Gold Corp. (Formerly G4G Capital Corp.)
Condensed Consolidated Statements of Cash Flows
For the nine months ended September 30, 2018 and 2017

(Stated in Canadian Dollars)

	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
Operating activities		
Net (loss) for the period	**(1,304,112)**	(743,878)
Items not involving cash		
Depreciation	**14,011**	-
Stock based compensation	**199,458**	199,011
Accretion expense	**1,640,048**	-
Flow-through share premium	**(1,638,749)**	(466,666)
Deferred income tax recovery	**(535,933)**	-
	(1,625,277)	(1,011,533)
Change in non-cash components of working capital		
Amounts receivable	**(730,807)**	(372,465)
Prepaid expenses	**(1,244,319)**	(3,500,000)
Accounts payable and accrued liabilities	**7,929**	4,610,302
Due to related parties	**918,208**	-
Cash used in operating activities	**(2,674,266)**	(273,696)
Investing activities		
Exploration and evaluation assets	**(10,667,440)**	(14,174,688)
Cash used in investing activities	**(10,667,440)**	(14,174,688)
Financing activities		
Net proceeds from exercise of warrants	**48,093**	-
Net proceeds from private placement	**9,466,977**	18,043,153
Cash provided by financing activities	**9,515,070**	18,043,153
Increase (decrease) in cash and cash equivalents	**(3,826,636)**	3,594,769
Cash and cash equivalents - Beginning of the period	**11,457,964**	16,703,410
Cash and cash equivalents - End of the period	**7,631,328**	20,298,179
Interest paid	-	-
Income tax paid	-	-

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

1. Nature of operations

The Company was incorporated on March 26, 1987 under the provisions of the Company Act of British Columbia and was transitioned to the Business Corporations Act (British Columbia) on September 30, 2005. The Company changed its name to “G4G Capital Corp.” on January 23, 2015 and the common shares (the “Common Shares”) were traded on the TSX Venture Exchange (the “TSXV”) under its symbol “GGC”. The Company is classified as a ‘Junior Natural Resource-Mining’ company.

The Company then changed its name to “White Gold Corp.” on December 19, 2016 and in connection with its rebranding, the Company registered to continue its corporate existence in the Province of Ontario.
The Company’s head office is located at 82 Richmond Street East, Toronto, Ontario, Canada and the common shares of the Company (the “Common Shares”) are listed on the TSX Venture Exchange (the “TSXV”) under the symbol “WGO”.

White Gold Corp. is in the business of acquiring and exploring mineral properties. As of December 31, 2017, the Company owned several properties in the Yukon’s White Gold District in Canada (the “White Gold District”). The properties range from grass roots to more advanced exploration projects and the Company is continuing with exploration activities on its properties.

There has been no determination whether properties held contain mineral resources or mineral reserves that are economically recoverable. The recoverability of valuations assigned to mineral properties is dependent upon the discovery of economically recoverable mineral resources and mineral reserves, confirmation of the Company’s interest in the properties, the ability to obtain the necessary financing to complete development, and future profitable production or proceeds from disposition.

The unaudited condensed consolidated interim financial statements were approved by the Board of Directors on November 28, 2018.

2. Basis of Presentation

Statement of Compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with interim standards under the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), Interpretations of the IFRS Interpretations Committee ("IFRIC") and comply with International Accounting Standard ("IAS") 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements.

Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries 0814117 BC Ltd. and Selene Holdings Limited Partnership. All inter-company transactions and balances have been eliminated upon consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions which affect the reported amount of the Company's assets, liabilities, expenses, and related disclosures. Assumptions and estimates are based on historical experience, expectations, current trends and other factors that management believes to be relevant at the time at which the Company's consolidated financial statements are prepared.

Management reviews, on a regular basis, the Company's accounting policies, assumptions, estimates and judgments in order to ensure that consolidated financial statements are presented fairly and in accordance with IFRS.

Critical accounting estimates are those that have a significant risk of causing material adjustments and are often applied to matters or outcomes that are inherently uncertain and subject to change. As such, management cautions that future events often vary from forecasts and expectations and that estimates routinely require adjustments. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the useful lives of equipment, the recoverability of the carrying value of exploration and evaluation assets, the recognition and valuation of provisions for restoration and environmental liabilities, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and assumptions.

Use of Judgments

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's consolidated financial statements include the assumption regarding economic recoverability and probability of future economic benefits of exploration and evaluation expenditures.

3. Significant Accounting Policies

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance, to be cash equivalents.

Exploration and Evaluation of Assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off in the statement of operations. Interest on borrowings incurred to finance mining assets is capitalized until the asset is capable of carrying out its intended use.

A mineral property is reviewed for impairment at each financial statement date or whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable have not been recorded. Option payments are capitalized as property costs or recorded as recoveries when the payments are made or received.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing and permitting to complete the development and future profitable production or proceeds from the disposition thereof.

Site Rehabilitation Obligations

Site rehabilitation obligations are recognized when a legal or constructive obligation arises. The liability is recognized at the present value of management's best estimate of the site rehabilitation obligation. The estimate is discounted to the present value using a discount rate specific to the obligation. When the liability is initially recorded, the Company capitalizes the cost by increasing the carrying amount of the related long-lived assets. The liability is accreted to its present value at each reporting period, and the capitalized cost is amortized on the same basis as the related asset. Upon settlement of the liability, the Company may incur a gain or loss.

At present, the Company has determined that given the early stage of exploration on its mineral properties, it has no reclamation costs and therefore no provision for site rehabilitation has been made.

Impairment of Long-Lived Assets

Property, equipment and mineral properties are reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less direct costs to sell, and the asset's value in use (being the present value of the expected future cash flows of the asset). An impairment loss is recognized in the statement of operations for the amount by which the carrying amount exceeds its recoverable amount.

3. Significant Accounting Policies (continued)

Foreign Currency Translation

The Company's functional and presentation currency is the Canadian dollar. The accounts recorded in foreign currencies have been translated into Canadian dollars on the following basis:

(a) monetary assets and liabilities at the rate of exchange in effect at the balance sheet date;

(b) non-monetary assets and liabilities at the rates of exchange in effect on the respective dates of transactions; and

(c) revenue and expenses at the exchange rates prevailing on the date of the transaction.

Gains and losses on translation are included in income or expense in the period in which they occur.

Share-based Payments

The Company uses a fair value-based method of accounting for stock warrants and options to employees, including directors, officers and consultants. The fair value is determined using the Black-Scholes Option Pricing Model on the date of grant, with assumptions for risk-free interest rate, volatility, expected forfeiture and life of the options or warrants. The cost is measured at the date of grant and each tranche is recognized on a graded-vesting basis over the applicable vesting period as an increase in share-based payments expense and the contributed surplus reserves account. On the exercise of the stock options, the proceeds received by the Company, together with the respective amount from the contributed surplus reserves, are credited to share capital.

Flow-through shares

Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability ("Flow-through tax liability'). Renouncement is retrospective and the view is that the obligation is fulfilled when eligible expenditures are incurred.

Income Taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is not recognized in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is recognized, using the asset and liability method, on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

3. Significant Accounting Policies (continued)

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current income tax liabilities, and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Revenue from Contracts with Customers

IFRS 15, Revenue from Contracts with Customers ("IFRS 15") was adopted effective for annual periods beginning on or after January 1, 2018. Given that the Company does not have revenue from contracts with customers, there is currently no material impact from adoption of the standard.

Financial Instruments

Effective January 1, 2018, the Company adopted IFRS 9, Financial Instruments ("IFRS 9"). In July 2014, the IASB issued the final publication of the IFRS 9 standard, which supersedes IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, new guidance for measuring impairment on financial assets, and new hedge accounting guidance.

The Company has adopted IFRS 9 on a retrospective basis, and noted no material impact on the carrying value of any financial asset or liability on the transition date.

As a result of the adoption of IFRS 9, the Company's accounting policy for financial instruments has been updated to:

Financial assets
Financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVTOCI) and fair value through profit and loss (FVTPL). The Company determines the classification of its financial assets at initial recognition.

i. Fair value through profit or loss ("FVTPL")
Financial assets are classified as fair value through profit or loss if they do not meet the criteria of amortized cost, or fair value through other comprehensive income.

The Company's cash & cash equivalents and property bonds in the form of GICs are classified as FVTPL.

ii. Amortized cost
Financial assets are classified as amortized cost if the financial assets are not classified at FVTPL, and both of the following criteria are met: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent solely payments of principal and interest. Financial assets at amortized cost are initially recognized at the

3. Significant Accounting Policies (continued)

amount expected to be received, net of any transaction costs incurred. The Company recognizes a loss allowance for expected credit losses when applicable, based upon management's judgment.

The Company's amounts receivable meets the criteria above and are classified at amortized cost.

Financial liabilities
Financial liabilities are classified as either: fair value through profit or loss, or amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

i. Amortized cost
Financial liabilities are measured at amortized cost unless they fall into one of the following categories: the instruments are required to be classified as FVTPL, the Company has opted them to be classified as FVTPL. Financial liabilities classified at amortized cost are recognized at the amount required to be paid, with an appropriate provision recognized when applicable, based upon management's judgment.

The Company's accounts payable, accrued liabilities and due to related parties are classified at amortized cost.

ii. Fair value through profit or loss ("FVTPL")
Financial liabilities are classified as fair value through profit or loss if they are derivatives or cannot be classified as amortized cost. The Company currently does not have any derivatives. Any gains or losses on financial liabilities classified at FVTPL are recognized in the consolidated statement of operations in the period in which the arise.

The Company's contingent liability and advance royalty are classified as FVTPL.

Transaction costs
Transaction costs associated with financial instruments classified as FVTPL, are expensed as incurred, while transaction costs associated with all classifications of financial instruments are included in the initial carrying value of the asset or liability.

Initial recognition
Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified as current liabilities if payment is due within 12 months, otherwise they are presented as non-current liabilities.

Subsequent measurement
Instruments classified as amortized cost are measured using the effective interest rate method. Instruments classified as FVTPL and FVOCI are measured at fair value with any changes in their fair values recognized in the period in which they arise, in the consolidated statement of operations or other comprehensive loss respectively.

Derecognition
Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized only when its obligations are discharged, cancelled, or expired. The difference between the carrying amount of the financial instrument at the time of derecognition and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of operations.

3. Significant Accounting Policies (continued)

Expected Credit Loss Impairment

IFRS 9 introduces a single expected credit loss impairment model, which is based on any changes occurring in credit quality of the instrument to date, since initial recognition. The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

The adoption of the expected credit loss impairment model has had no material impact on the Company's consolidated financial statements.

4. IFRS accounting pronouncements

Accounting standards issued but not effective

IFRS 16, Leases

In January 2016 the International Accounting Standards Board issued IFRS 16, Leases, which specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Consistent with its predecessor, IAS 17 the new lease standard continues to require lessors to classify leases as operating or finance. IFRS 16 is to be applied retrospectively for annual periods beginning on or after January 1, 2019. As the Company currently has limited exposure to leases, there is currently no material impact expected from the future adoption of the standard.

5. Amounts receivable

The Company has HST recoverable from the Canadian government through its costs incurred to date. No allowance has been recorded, as the amounts have been collected in full subsequent to the balance sheet date.

(Stated in Canadian Dollars)

6. Exploration and evaluation assets

	White Gold properties	ARM properties	Total
Mineral property cost			
Acquisition/Staking/Renewal Cost	-	$ 20,000	$ 20,000
Exploration expenditures	-	-	-
Balance as at December 31, 2015	$ -	$ 20,000	$ 20,000
Acquisition/Staking/Renewal Cost	11,395,720	-	11,395,720
Exploration expenditures	1,252,080	-	1,252,080
Balance as at December 31, 2016	$ 12,647,800	$ 20,000	$ 12,667,800
Acquisition/Staking/Renewal Cost	54,755,449	-	54,755,449
Exploration expenditures	10,285,807	-	10,285,807
Impairment	-	(20,000)	(20,000)
Balance as at December 31, 2017	$ 77,689,056	$ -	$ 77,689,056
Acquisition/Staking/Renewal Cost	193,753	-	193,753
Exploration expenditures	10,473,687	-	10,473,687
Balance as at September 30, 2018	$88,356,496	$ -	$ 88,356,496

White Gold Properties (Yukon)

Ryan Option

On October 27, 2016, the Company entered into an agreement granting it the option (the “Option”) to purchase 21 properties (the “Properties”), comprising approximately 12,301 quartz claims (the “Claims”) located in the White Gold District from Shawn Ryan and Wildwood Exploration Inc., a corporation wholly owned by Mr. Ryan, a director and officer of the Company (“Wildwood”). The Claims are grouped in six project areas covering various prospective geological terrain in the White Gold District. The Properties represent all of Mr. Ryan's precious metal interests located in the White Gold District that are not in a current joint venture with third parties.

On December 13, 2016 White Gold Corp. completed the exercise of its option and acquired the claims across the 21 properties. Specifically, on October 28, 2016 the Company issued 1,000,000 shares (at fair value of $0.71 per share) and paid cash of $500,000 and on December 13, 2016 the Company issued 6,000,000 shares (at fair value of $1.14 per share) and paid cash of $3,000,000 and the company reimbursed $40,000 for staking costs, completing the option payment requirements.

(Stated in Canadian Dollars)

6. Exploration and evaluation assets (continued)

An additional legal expenditure of $10,560 has also been capitalized as acquisition costs directly related to acquisition of these properties.

The Properties are subject to a 2% net smelter royalty ("NSR") which will also be payable on each quartz claim staked by the Company (or any subsidiary or affiliate) in a specified area of influence during the five-year period following October 27, 2016, of which 1% will be payable to Mr. Ryan and 1% is payable to a related party.

Kinross acquisition
On June 14, 2017 the Company successfully completed the acquisition of entities holding the White Gold, Black Fox, JP Ross, Yellow, and Battle properties (the "White Gold Properties") from Kinross Gold Corporation ("Kinross") for $10 million in cash, the issuance to Kinross of 17.5 million common shares of the Company (at the value of $ 2.10 per share) and up to $15 million in deferred milestone payments specifically related to the advancement of the White Gold Properties (the "Acquisition"). Total expenditures of $1,032,756, which includes legal fees, due diligence fee and financial advisory fees, has also been capitalized as acquisition costs directly related to acquisition of these properties.

The acquisition of the entities holding the White Gold Properties does not constitute a business combination because these entities do not meet the definition of a business under IFRS 3 *Business Combination*. As a result, under IFRS, the transaction is being measured at cash paid and the fair value of equity consideration issued to acquire these entities.

The value of net identified assets of these entities acquired in the acquisition is set out as follows:

White Gold Properties	$	46,749,995
Trade and other payables		(89,096)
Net identifiable assets acquired	$	46,660,899
Consideration	$	46,660,899
Net identifiable assets acquired		46,660,899
Unidentifiable assets acquired	$	-

Key estimates on the valuation of the Kinross "White Gold Properties" ("Former Kinross Properties") were made using discounted cash flow model of the contingent consideration and advance royalty including a discount rate of 25% for the $15 million in deferred milestone payments and 25% discount rate for advance royalty payments. The milestone payments are estimated to commence in 2020 with production starting in 2025. The amounts included as part of the asset acquisition noted above are $6,242,582 & $383,003 for the milestone payments and advance royalty, respectively.

Certain of the Former Kinross Properties, consolidated into The White Gold Properties (Yukon), are subject to two annual advance royalty payments in the amount of $100,000 and $30,000, respectively, that are payable each year until the commencement of commercial production; these advanced royalty payables will be deducted from the pre-existing net smelter return royalties equal to 4%, 2% and 2%, respectively, each relating to different claims and each subject to different reduction options. The 4% net smelter return royalty can be reduced to 1% by making payments as follows: 1% (from 4% to 3%) by paying $2,000,000; 1% (from 3% to 2%) by paying $3,000,000; 1% (from 2% to 1%) by paying $5,000,000. Furthermore, if either mineral reserves, measured mineral resources or indicated mineral resources are located on certain claims comprising the Former Kinross Properties and are disclosed in an NI 43-101 technical report then the Company will be obligated to pay a royalty equal to $1.00 per gold ounce (using a cut off of 0.5g/t). Each of these royalties is held by an officer and director of the Company.

6. Exploration and evaluation assets (continued)

As of September 30, 2018, the Company has incurred total annual claims renewal expenditures of $193,753 ($347,113 – December 31, 2017) and exploration expenditures on the Properties of $10,473,687 ($10,285,807– December 31, 2017).

ARM Properties (Yukon)

On February 2, 2015, the Company entered into a definitive earn-in option and joint agreement ("Ryan Gold Agreement") with Ryan Gold Corp ("Ryan Gold"). The Ryan Gold Agreement provides that the Company can earn a 60% right, title and interest in and to the ARM claims ("Ryan Gold Option"), consisting of 544 contiguous mining claims located in the Whitehorse Mining District east of Kluane Lake's Talbot Arm, Yukon (the "ARM Claims"). The Ryan Gold Agreement was eventually assumed by a company called Strikepoint Gold Inc. ("Strikepoint").

During the year ended December 31, 2017, the Company has terminated the Ryan Gold Agreement by making a payment to Strikepoint of CDN$39,690 with no further obligation.

Property bonds

Property bonds are cash deposits pledged to the Province of B.C. The bonds mature and roll over every year until the Company is released from its property bonds.

7. Related party transactions

Compensation of key management consists of the Board of Directors, CEO & President and CFO. Key management compensation which included cash & stock-based compensation, for the three-months ended September 30, 2018 was $105,022 ($75,190 –September 30, 2017).

During the nine months ended September 30, 2018, the Company also incurred the following related party transactions:

Ground Truth Exploration Inc., Dawson City, YT ("Ground Truth"), designed and managed all exploration work completed by the Company for a total of $10,667,441 in the nine months ended September 30, 2018 ($7,500,000 – September 30, 2017). Ground Truth is controlled by the spouse of a director of the Company. At September 30, 2018, $3,035,013 of due to related parties was payable to Ground Truth ($5,761,577 – September 30, 2017). A deposit of $1,209,767 is held by Ground Truth for work to be performed in 2018, to be applied against future amounts payable ($3,500,000 –September 30, 2017).

$180,000 in Office, Rent and Administration fees ($180,000 –September 30, 2017) was paid to a company of which an officer is an officer and director of the Company.

$210,000 ($90,000 – September 30, 2017) was paid as compensation for consulting services rendered by a shareholder, who is also the beneficial owner receiving the royalty on the properties under the original Ryan Option.

The current portion of royalty payment of $123,145 ($94,975 – September 30, 2017) on the Former Kinross Properties is payable to an officer and director of the Company. The $30,000 Advance Royalty payment due in the period ending September 30, 2018 was paid ($30,000 – September 30, 2017).

(Stated in Canadian Dollars)

7. Related party transactions (continued)

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

Summary of Due to Related Parties as below:

Current portion of Advance Royalty payable [Note 10]	$	123,145
Accounts payable & Accrued liabilities to Ground Truth	$	3,035,013
Total	$	**3,158,158**

8. Share capital

Authorized share capital

At September 30, 2018, the authorized share capital consisted of an unlimited number of common shares without par value.

Common Shares Issued

[a] Commitment to issue common shares to three former directors. The Company is committed to issuing a total of 5,000 common shares to three former directors upon any Alberni and Nanaimo Mining District's mineral property previously owned by the Company being placed into commercial production. This would reimburse these former directors for transferring 5,000 shares owned by them to a third party to satisfy a debt obligation of the Company.

[b] On October 28, 2016, the company closed a private placement of 15,000,000 (8,500,000 flow-through and 6,500,000 non-flow-through) units at $0.20 per unit with gross proceeds of $3,000,000. Each unit consists of one common share and one warrant (exercise price of $0.27 per warrant) exercisable for a period of three years. Share issuance cost of $40,500 was incurred in relation to this private placement.

[c] On October 28, 2016, the company issued 1,000,000 shares valued at $0.71 per share to a Director of the company as settlement for White Gold Properties (Yukon).

[di] On December 13, 2016, the company closed a private placement of 15,000,000 shares at $1.20 per share for gross proceeds of $18,000,000. 605,000 agent warrants were also issued with an exercise price of $1.20 per share for a period of two years with fair value of $458,208. Cash fee of $751,000 and legal fees of $81,500 were paid in relation to the private placement. Total share issuance cost of $1,290,708 was thus incurred with respect to the private placement.

[e] On December 13, 2016 6,000,000 shares valued at $1.14 per share to a Director of the company as settlement for White Gold Properties (Yukon).

[f] On March 21, 2017, the Company closed a brokered private placement of 5,555,500 Common Shares, issued on a flow-through basis, at a price of $1.80 per Common Share, for aggregate gross proceeds of approximately $10.0-million (the "2017 Flow-Through Private Placement"). In connection with the 2017 Flow-Through Private Placement, Agnico Eagle maintained its approximate 19.93% interest in the Company. The Company also issued 305,552 agent warrants with an exercise price of $1.70 per Common Share for a period of two years from the closing date of the 2017 Flow-Through Private Placement. Cash fee of $550,000 and legal fees of $70,000 were paid in relation to the private placement. A flow-through share premium liability of $1,166,655 was recorded in connection with this private placement.

8. Share Capital (continued)

[g] On June 14, 2017 the Company completed a non-brokered private placement with Agnico Eagle Mines Limited ("Agnico") pursuant to which Agnico, in order to maintain its pro rata ownership interest in the Company, subscribed for 4,356,000 common shares of the Company at a price of $2.01 per common share, for gross proceeds to the Company of $8,755,560. Legal fees of $21,000 were paid in relation to the private placement. Agnico has the right to participate in any future equity offerings by the Company in order to maintain its proportionate interest in the Company and to nominate one person to the board of directors of the Company.

[h] On June 14, 2017 the Company issued 17.5 million common shares at a fair value price of $2.10 per share to Kinross Gold Corporation as partial consideration for the acquisition of entities holding the White Gold, Black Fox, JP Ross, Yellow, and Battle properties (the "White Gold Properties"). Kinross has the right to participate in any future equity offerings by the Company in order to maintain its proportionate interest in the Company and to nominate one person to the board of directors of the Company.

[i] During the year ended December 31, 2017, 253,125 common shares were issued from warrants exercised at $0.27 per common shares with fair value of $17,683 being reallocated from contributed surplus to share capital.

[j] During the three-month period ended March 31, 2018, 131,250 common shares were issued from warrants exercised at $0.27 per common shares.

[k] During the three-month period ended June 30, 2018, 46,875 common shares were issued from warrants exercised at $0.27 per common shares.

[l] On July 5, 2018 the Company completed a brokered private placement of 10,526,720 common shares issued on a flow-through basis, at a price of $0.95 per share, all for aggregate gross proceeds of $10,000,366 (the "2018 Flow-Through Private Placement"), and Agnico Eagle and Kinross maintained their proportional interest in the Company. The Company also issued 631,603 agent warrants in connection with the private placement and granted 3,250,000 options to directors, officers, employees and consultants of the company, each with an exercise price of $0.95 per Common Share.

Loss per share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share. Stock options and warrants are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options and warrants.

As the Company has recorded a loss in each of the periods presented, basic and diluted loss per share are the same since the exercise of warrants or options is anti-dilutive.

(Stated in Canadian Dollars)

9. Share Based Payments

Stock Options

The Company has a stock option plan whereby it may grant options to its directors, officers and employees at exercise prices determined by the Board.

On September 27, 2016, the company issued a total of 2,370,000 options to purchase common shares of the Company and granted them to directors, officers, employees and consultants at an exercise price of $0.40 per share, expiring on September 27, 2021. 25% of these options vest one year after the date of grant and 25% of the grant on each of the following one-year anniversaries.

On July 5, 2018, the company issued 3,250,000 options and granted them to directors, officers, employees and consultants at an exercise price of $0.95 per share, expiring on July 5, 2023. 25% of these options vest one year after the date of grant and 25% of the grant on each of the following one-year anniversaries.

Total share-based compensation of $66,296 was accrued for using graded vesting method and was charged to the statement of operations and comprehensive loss for the three months ended September 30, 2018 ($66,581 – September 30, 2017). The accrual was measured using the fair value of options calculated as below:

The following table summarizes the continuity of the Company's stock options at September 30, 2018:

Outstanding				Exercisable	
Exercise price $	Number of Share Options	Weighted average remaining contractual years	Weighted average exercise price	Number of Share Options	Weighted average exercise price
$ 0.40	2,370,000	3.00	$ 0.40	1,185,000	$ 0.40
$ 0.95	3,250,000	5.00	$ 0.95	Nil	$ 0.95

The fair value of these options was estimated using the Black-Scholes model on the date of measurement. The model requires the use of assumptions, and historical data has been used in setting these assumptions. The options were valued at a total of $2,897,990 using the following assumptions at the issuance date:

Issue	Number of Options	Exercise price ($)	Market price at issue ($)	Expected Volatility (%) *[1]	Risk-free interest rate (%)	Expected life (Years)	Expected Forfeiture (%)	Dividend yield (%)	Fair value of Options ($)
September 27, 2016	2,370,000	0.40	0.40	138	0.53	5.00	-	-	832,380
July 5, 2018	3,250,000	0.95	0.79	118	1.90	5.00	-	-	2,065,610

**[1]* Based on historical volatility of the Company's publicly traded shares.

(Stated in Canadian Dollars)

9. Share Based Payments (continued)

Warrants and Agent Warrants

	Number of Warrants	Average Exercise price	Fair Value	Expiry Date
Balance at December 31, 2015	**-**	**-**	**-**	
Private placement October 27, 2016	15,000,000	$ 0.27	$ 1,407,890	October 27, 2019
Agent warrants December 13, 2016	605,000	$ 1.20	$ 458,208	December 13, 2018
Balance at December 31, 2016	**15,605,000**	**$0.31**	**$ 1,866,098**	
Agent warrants March 21, 2017	305,552	$ 1.70	$ 325,506	March 21, 2019
Warrants exercised	(253,125)	$ 0.27	($ 17,683)	
Balance at December 31, 2017	**15,657,427**	**$ 0.33**	**$ 2,173,921**	
Agent warrants July 5, 2018	631,603	$ 0.95	$ 529,843	July 5, 2020
Warrants exercised	(178,125)	$ 0.27	($ 28,957)	
Balance at September 30, 2018	**16,110,905**	**$ 0.36**	**$ 2,674,807**	

The fair value of the warrants and agent warrants were estimated on the date of issuance. The Black Scholes assumptions are as follows at the measurement date:

Issue	Number of Warrants	Exercise price ($)	Market price at issue ($)	Expected Volatility (%) *[1]*	Risk-free interest rate (%)	Expected life (Years)	Expected Forfeiture (%)	Dividend yield (%)	Fair value of warrants ($)
Private Placement October 27, 2016 *[2]*	15,000,000	0.27	0.92	138	0.75	3.00	-	-	1,407,890
Agent Warrants December 13, 2016	605,000	1.20	1.14	138	0.75	2.00	-	-	458,208
Agent Warrants March 21, 2017	305,522	1.70	1.59	140	0.72	2.00	-	-	325,056
Agent Warrants July 5, 2018	631,603	0.95	0.79	118	1.90	2.00	-	-	282,655

**[1]* Based on historical volatility of the Company's publicly traded shares.

**[2]* As the warrants were issued as part of the unit offering, the fair value was prorated between shares and warrants, using relative fair values.

(Stated in Canadian Dollars)

10. Contingent liability & advance royalty

Key estimates on the valuation of the Kinross "White Gold Properties" contingent consideration was made using a discounted cash flow model, including a discount rate of 25% for the $15 million in deferred milestone payments and a 25% discount rate for advance royalty payments. The terms of the deferred payments are summarized as follows:

Milestone 1: Payable upon announcement of a Preliminary Economic Assessment;
Milestone 2: Payable upon announcement of a Feasibility Study on the requisite properties; and
Milestone 3: Payable upon announcement of a positive construction decision.

Contingent Liability

	Estimated commencement	Gross	Fair Value as at September 30, 2018
Milestone 1	Year 2020	$ 5,000,000	$ 3,229,480
Milestone 2	Year 2021	$ 5,000,000	$ 2,583,584
Milestone 3	Year 2022	$ 5,000,000	$ 2,066,867
		Contingent liability	**$ 7,879,931**

Advance Royalty

	Est. Remaining payment period	Remaining Gross Payments	Period Opening Balance less payments	Period Accretion Expense	Carrying Value	Current Portion	Long-term Portion
Advance Royalty - $30,000	2019-2024	$180,000	$82,992	$5,534	$88,526	$25,141	$63,385
Advance Royalty - $100,000	2018-2024	$700,000	$362,993	$19,759	$382,752	$98,003	$284,750
Total			**$445,985**	**$25,293**	**$471,278**	**$123,144**	**$348,134**

Total Contingent Liability & Long-term Advance Royalty	**$ 8,351,209**

11. Segmented information

The Company conducts all of its operations in Canada in one industry segment being the acquisition, exploration and development of resource properties.

12. Capital management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition, exploration and development 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 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 exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

In connection with the 2017 Flow-through Private Placement, a flow-through share premium liability of $1,166,655 was initially recognized. As of September 30, 2018, the remaining premium liability resulted from un-spent exploration expenditures was $nil.

In connection with the 2018 Flow-through Private Placement, a flow-through share premium liability of $1,684,275 was initially recognized. As of September 30, 2018, the remaining un-spent exploration expenditures was $2,140,604 while the remaining related premium liability was $360,523.

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 three months ended September 30, 2018.

13. Financial Instruments

The Company’s financial assets consist of cash and cash equivalents and property bonds in the form of GICs. The Company’s financial liabilities consist due to related parties, contingent liability and advance royalty, accounts payable and accrued liabilities. Amounts (HST) receivable are not a financial instrument as they are a statutory and not a contractual right.

Amounts receivable, due to related parties, accounts payable and accrued liabilities are classified as measured at amortized cost.

Cash and cash equivalents, property bonds in the form of GICs, contingent liability and advance royalty are classified as fair value through profit or loss. These instruments are carried at fair value, with the changes in the fair value recognized in the consolidated statement of operations in the period they arise.

The fair values of the Company’s cash and cash equivalents, amounts receivable, property bonds held in form of GICs, due to related parties, accounts payables and accrued liabilities approximate their carrying values due to the short-term maturity of these instruments.

13. Financial Instruments (continued)

Fair Value Measurement

The Company classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

Level 1 – quoted prices in active markets for identical assets or liabilities.
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.: as prices) or indirectly (i.e.: derived from prices).
Level 3 – inputs for the asset or liability that are not based on observable market data.

At September 30, 2018 the levels in the fair value hierarchy into which the Company's financial instruments measured and recognized in the balance sheet at fair value are categorized are as follows:

	Level 1
Cash & cash equivalents	$ 7,631,328
Property bonds in GICs	$ 20,122

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework, approving and monitoring the risk management processes.

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, interest risk and commodity price risk.

(a) Credit risk

Credit risk is the risk of an unexpected loss if the other party to a financial instrument fails to meet contractual obligations. The Company manages this risk as cash and cash equivalents are held in a major Canadian financial institution. The Company does not have any asset-backed commercial paper in its cash and cash equivalents.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. Accounts payable and accrued liabilities are due within the current operating period.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss a decline in the fair value of the cash and cash equivalents is limited because they are generally held to maturity.

(d) Commodity price risk

The ability of the Company to develop its mineral properties and the future profitability of the Company are directly related to the market price of its related commodity. The Company has not hedged any of its future related commodity sales. The Company closely monitors the price of its related commodity and its related cost of production to determine the appropriate course of action to be taken by the Company.

14. Subsequent Events

On October 16, 2018 the Company announced its completion of acquiring a 100% interest in a portfolio of mining claims comprising the Henderson, Flow/Work Creek and Birdman properties from Independence Gold Corp. (TSX.V: IGO) in exchange for an aggregate cash payment of $35,000, 160,000 Common Shares in the capital of the Company, and two 1% net smelter return royalties on the properties. The properties are comprised of an aggregate of 920 claims representing approximately 18,000 hectares of land in the White Gold District.

On November 8, 2018 the Company completed a transaction consisting of the sale of 5,000,000 flow-through Common Shares issued at a price of $2.00 per share for aggregate gross proceeds of approximately $10,000,000, and a concurrent private placement consisting of the sale of 3,333,332 Common Shares at a price of $1.50 per Common Share for aggregate gross proceeds of approximately $5,000,000. Agnico Eagle and Kinross maintained their approximate 19.6% interest in the Company respectively. The Company also issued 300,000 broker warrants in connection with the private placement each with an exercise price of $2.00 per Common Share.