



IDM MINING

**CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)**

FOR THE PERIOD ENDED JANUARY 31, 2018

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED 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 condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

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 financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

IDM MINING LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)
AS AT

	January 31, 2018	October 31, 2017
ASSETS		
Current		
Cash	\$ 1,640,008	\$ 5,177,866
Short-term investments	17,250	17,250
Receivables	435,769	345,427
Prepaid expenses	115,931	122,351
Marketable securities (Note 3)	2,100,000	1,995,000
	4,308,958	7,657,894
Land use deposits	1,098,400	1,098,400
Equipment	1,336,694	1,258,247
Exploration and evaluation assets (Note 4)	44,104,258	42,260,748
	\$ 50,848,310	\$ 52,275,289
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 7)	\$ 1,263,750	\$ 1,880,634
Mexican mining taxes and other payables (Note 4)	832,003	832,003
Flow-through premium liability (Note 6)	937,157	1,008,555
	3,032,900	3,721,192
Non-current		
Provision for site reclamation (Note 5)	1,736,152	1,725,985
Deferred tax liability	1,500,000	1,500,000
Total Liabilities	6,269,062	6,947,177
Shareholders' Equity		
Share capital (Note 6)	83,923,154	83,923,154
Reserves (Note 6)	10,467,706	10,454,909
Deficit	(49,811,612)	(49,049,951)
	44,579,248	45,328,112
	\$ 50,848,310	\$ 52,275,289

Nature and continuance of operations (Note 1)

Subsequent events (Note 9)

Approved and authorized by the Board on March 28, 2018:

“ROB MCLEOD”

Director

“ANDREE ST-GERMAIN”

Director

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

IDM MINING LTD.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)
FOR THE

	Three Months Ended January 31, 2018	Three Months Ended January 31, 2017
GENERAL EXPENSES		
Consulting fees	\$ 7,633	\$ 17,050
Director fees and expenses (Note 7)	55,544	32,544
Foreign exchange loss (gain)	-	(720)
Investor relations and shareholder communication	104,398	240,348
Office and miscellaneous	110,852	70,465
Professional fees	14,749	115,318
Salaries and management fees (Note 7)	583,848	331,638
Share-based payments (Note 6)	12,797	38,431
Transfer agent and filing fees	3,354	5,857
Travel	34,717	14,069
	<u>(927,892)</u>	<u>(865,000)</u>
OTHER INCOME (EXPENSES)		
Interest Income	-	3,309
Accretion expenses (Note 5)	(10,167)	-
Unrealized gain/(loss) from marketable securities (Note 3)	105,000	-
Recognition of flow-through premium liability (Note 6)	71,398	73,814
	<u>(761,661)</u>	<u>(787,877)</u>
Loss and comprehensive loss for the period	\$ (761,661)	\$ (787,877)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares		
Outstanding	397,808,519	283,034,315

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

IDM MINING LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)
FOR THE

	Three Months Ended January 31, 2018	Three Months Ended January 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (761,661)	\$ (787,877)
Items not affecting cash:		
Accretion expense	10,167	-
Recognition of flow-through premium liability	(71,398)	(73,814)
Share-based payments	12,797	38,431
Unrealized gain from marketable securities	(105,000)	-
Change in non-cash working capital items:		
Receivables	(90,342)	478,710
Prepays	6,420	70,130
Accounts payable and accrued liabilities	8,059	229,869
Net cash used in operating activities	(990,958)	(44,551)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures on exploration and evaluation assets	(2,468,453)	(4,547,781)
Purchase of equipment	(78,447)	-
Net cash used in investing activities	(2,546,900)	(4,547,781)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuance	-	47,725
Change in cash during the period	(3,537,858)	(4,544,607)
Cash, beginning of period	5,177,866	9,871,063
Cash, end of period	\$ 1,640,008	\$ 5,326,456
Supplemental disclosure with respect to cash flows (Note 8)		

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

IDM MINING LTD.**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY/(DEFICENCY)**

(Unaudited - Expressed in Canadian Dollars)

	Share capital		Reserves	Deficit	Total
	Number	Amount			
Balance at October 31, 2016	282,972,850	\$ 66,290,507	\$ 9,166,812	\$ (48,233,578)	\$ 27,223,741
Issued for:					
Warrants exercised	477,252	47,725	-	-	47,725
Share based payment	-	-	38,431	-	38,431
Loss for the period	-	-	-	(787,777)	(787,777)
Balance at January 31, 2017	283,450,102	66,338,232	9,205,243	(49,021,455)	26,522,020
Issued for:					
Private placement	29,400,000	4,998,000	-	-	4,998,000
Flow-through private placement	79,709,676	16,250,000	-	-	16,250,000
Warrants exercised	5,248,741	787,311	-	-	787,311
Share issue costs	-	(383,056)	-	-	(383,056)
Share-based payments	-	-	1,236,527	-	1,236,527
Agent warrants	-	(13,139)	13,139	-	-
Flow-through premium	-	(4,054,194)	-	-	(4,054,194)
Loss for the period	-	-	-	(28,496)	(28,496)
Balance at October 31, 2017	397,808,519	83,923,154	10,454,909	(49,049,951)	45,328,112
Share-based payments	-	-	12,797	-	12,797
Loss for the period	-	-	-	(761,661)	(761,661)
Balance at January 31, 2018	397,808,519	\$ 83,923,154	\$ 10,467,706	\$ (49,811,612)	\$ 44,579,248

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

1. NATURE AND CONTINUANCE OF OPERATIONS

IDM Mining Ltd. (the “Company”) is an exploration company incorporated on July 14, 2009 under the laws of the Province of British Columbia, Canada. The Company’s shares are listed on TSX Exchange (“TSXV”) and trade under the symbol IDM.

The Company’s head office and principal address is 1800 – 555 Burrard Street, Vancouver, British Columbia, Canada, V7X 1M9.

The Company is in the business of acquiring and exploring economically viable mineral resource deposits on its mineral properties. The recoverability of the amounts shown for mineral properties acquisition costs and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. The Company will continue to have raise funds beyond its current working capital balance in order to continue to advance its properties. While the Company has been successful in obtaining its required funding in the past and announced a financing subsequent to quarter end, there is no assurance that such future financings will be available or available on favorable terms. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

The condensed consolidated interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company’s ability to receive financial support, necessary financings, or generate profitable operations in the future.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” on a basis consistent with the accounting policies disclosed in the audited consolidated financial statements for the fiscal year ended October 31, 2017.

The condensed consolidated interim financial statements should be read in conjunction with the most recently issued audited consolidated financial statements, which include information necessary or useful to understandings the Company’s business and financial statement presentation. In particular, the Company’s significant accounting policies which were presented in Note 3 to the Consolidated Financial Statements for the fiscal year ended October 31, 2017 have been consistently applied in the preparation of the Company’s condensed consolidated interim financial statements.

The Company’s condensed consolidated interim financial statements are unaudited. Financial information in this report reflects any adjustments (consisting of normal recurring adjustments) that are, in the opinion of management, necessary to a fair presentation of results for the interim periods in accordance with IFRS as issued by the International Accounting Standards Board.

2. BASIS OF PREPARATION (cont'd)

New standards, interpretations and amendments not yet adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective during the period ended January 31, 2018:

- a) IFRS 9 – New financial instrument standard that replaces IAS 39 for classification and measurement of financial assets. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most the requirement in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than profit or loss. The new standard also requires a single impairment method to be used, replacing multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Early adoption is permit. The Company has not yet determined the impact on the results and financial position of the Company.
- b) IFRS 15 – New revenue from contracts with customers that specifies how and when to recognize revenue as well as requires entities to provide users of financial statements with more information, relevant disclosures. This standard supercedes IAS 18- Revenue, IAS 11, Construction Contracts and a number of revenue related interpretations. Application of the standard is mandatory for all IFRS reports and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 must be applied in entity's first annual IFRS financial statements for periods beginning on or after January 1, 2018. Application of the standard is mandatory. The Company has not yet determined the impact on the results and financial position of the Company.

3. MARKETABLE SECURITIES

At January 31, 2018, the Company's marketable securities were comprised of common shares of Strikepoint Gold Inc. ("Strikepoint"), a public company traded on the TSXV, which were recorded in the consolidated statement of financial position at their fair value. The fair value of these marketable securities has been determined by reference to their quoted closing bid price at the reporting date. At January 31, 2018 the Company has 10,500,000 (October 31, 2017 – 10,500,000) common shares of Strikepoint with a fair value of \$2,100,000 (October 31, 2017 – \$1,995,000).

The Company has been granted certain anti-dilution rights for so long as the Company continues to hold at least 9.9% of the issued and outstanding shares of Strikepoint. The Company also has the right, but not obligated, to appoint two members of Strikepoint's board of directors. The Company initially appointed Mike McPhie to Strikepoint's board of directors as the Company's representative and replaced by Susan Neale in 2018.

4. EXPLORATION AND EVALUATION ASSETS

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain mineral titles as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all its properties and, to the best of its knowledge, title to all of its properties is in good standing.

Red Mountain (B.C., Canada)

In April 2014, the Company entered into an option agreement with Seabridge Gold Inc. (“Seabridge”) to acquire a 100% interest in the Red Mountain gold project located near Stewart, B.C.

Under the terms of the option agreement, the Company issued 4,955,500 common shares valued at \$1,214,098, paid \$2,000,000 and incurred \$7,500,000 in exploration and development expenditures. In May 2017, the Company exercised its option to acquire 100% and completed the acquisition of the mineral claims and certain other assets and assumed the decommissioning and restoration liability related to the Red Mountain property (Note 5).

Pursuant to the option agreement, the Company is required to make an additional one-time \$1,500,000 cash payment upon commercial production to Seabridge, and Seabridge also retained a gold metal stream on the Red Mountain project to acquire 10% of the annual gold production from the property at a cost of US\$1,000 per ounce up to a maximum of 500,000 ounces produced (50,000 ounces to Seabridge). Alternatively, Seabridge may elect to receive a one-time cash payment of \$4,000,000 at the commencement of production in exchange for the buyback of the gold metal stream. The property is also subject to payment of production royalties and the payment of a minimum annual pre-production royalty of \$50,000 (Total pre-production royalty paid to date - \$1,050,000) to Wotan Resources Corp. (“Wotan”). Production from the claims, which contain the Red Mountain gold deposit are subject to two separate royalties aggregating 3.5% net smelter return royalty (Franco-Nevada Corp – 1% and Wotan - 2.5%).

Yukon Properties (YK, Canada)

In February 2016, the Company acquired from Osisko Mining Corporation (“Osisko”) a portfolio of properties located in the Yukon. As consideration, the Company issued 7,188,889 common shares valued at \$647,000 and granted a 1% net smelter royalty over the Yukon properties.

In January 2017, the Company entered into an agreement to sell its portfolio of properties located in the Yukon to StrikePoint Gold Inc. (“Strikepoint”) in exchange for consideration \$150,000 in cash and 10,500,000 common shares of StrikePoint.

Mexican Properties (Mexico)

The Company through its wholly owned entity Minera Golondrina returned a portion of its Mexico properties to the government authorities. Minera Golondrina has accrued \$832,003 (October 31, 2017 - \$832,003) for concession fees, penalties and interest payable from July 2013 to the date these properties were returned. The Company has commenced the process to place its two Mexican subsidiaries into liquidation.

IDM MINING LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
JANUARY 31, 2018

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

	January 31, 2018		
	Red Mountain	Yukon	Total
Exploration costs:			
Balance, beginning of period	\$ 37,161,114	\$ -	\$ 37,161,114
Project administration	89,732	-	89,732
Baseline studies	126,484	-	126,484
Permitting	742,501	-	742,501
First Nations and Public Engagement	80,869	-	80,869
Field personnel	345,489	-	345,489
Field equipment maintenance and rental	25,418	-	25,418
Camp	18,009	-	18,009
Drilling	10,042	-	10,042
Assaying	86,478	-	86,478
Helicopter	1,095	-	1,095
Metallurgical	6,003	-	6,003
Reports	15,623	-	15,623
Engineering	295,767	-	295,767
	<u>1,843,510</u>	<u>-</u>	<u>1,843,510</u>
Balance, end of period	<u>39,004,624</u>	<u>-</u>	<u>39,004,624</u>
Acquisition costs:			
Balance, beginning of period	5,099,634	-	5,099,634
Acquisition costs during the period	-	-	-
Balance, end of period	<u>5,099,634</u>	<u>-</u>	<u>5,099,634</u>
Balance, January 31, 2018	<u>\$ 44,104,258</u>	<u>\$ -</u>	<u>\$ 44,104,258</u>

IDM MINING LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
JANUARY 31, 2018

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

	October 31, 2017		
	Red Mountain	Yukon	Total
Exploration costs:			
Balance, beginning of year	\$ 15,886,558	\$ 34,502	\$ 15,921,060
Project administration	678,948	-	678,948
Baseline studies	819,925	-	819,925
Permitting	2,252,986	-	2,252,986
First Nations and public engagement	132,161	-	132,161
Field personnel	2,684,224	-	2,684,224
Field equipment maintenance and rental	1,424,858	-	1,424,858
Camp	1,731,340	-	1,731,340
Drilling	3,621,013	-	3,621,013
Assaying	548,424	-	548,424
Fuel	446,717	-	446,717
Helicopter	2,241,292	-	2,241,292
Hydrogeology	10,677	-	10,677
Metallurgical	618,593	-	618,593
Reports	2,276,804	-	2,276,804
Site geotechnical and engineering	2,007,214	-	2,007,214
Site preparation	70,579	-	70,579
Advance royalties	50,000	60,000	110,000
Mineral exploration tax credit	(341,199)	-	(341,199)
	21,274,556	60,000	21,334,556
Disposal	-	(94,502)	(94,502)
Balance, end of year	37,161,114	-	37,161,114
Acquisition costs:			
Balance, beginning of year	3,387,205	647,000	4,034,205
Acquisition/(disposition) costs during the year	1,712,429	(647,000)	1,065,429
Balance, end of year	5,099,634	-	5,099,634
Balance, October 31, 2017	\$ 42,260,748	\$ -	\$ 42,260,748

IDM MINING LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
JANUARY 31, 2018

5. DECOMMISSION AND RESTORATION PROVISIONS

As part of the acquisition and transfer of mineral claims and permits relating to the Red Mountain property, the Company, assumed the liability for remediation of past disturbances associated with the exploration and development activities on the property. The decommissioning and restoration provision is as follows:

	January 31, 2018	October 31, 2017
Opening balance	\$ 1,725,985	\$ -
Decommissioning and restoration liabilities assumed on the acquisition of the Red Mountain property (Note 4)	-	1,712,429
Accretion of decommissioning and restoration provision	10,167	13,556
Closing balance	\$1,736,152	\$ 1,725,985

The Company used an inflation rate of 2.0% (2017 – 2.0%) and a discount rate of 2.2% (2017 –2.2%) in calculating the estimated obligation. The liability for retirement and remediation on an undiscounted basis before inflation is \$1,699,044 (2017 – \$1,699,044).

6. SHARE CAPITAL AND RESERVES

Authorized share capital

As at January 31, 2018, the authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares, consisting only of common shares are fully paid.

Private placements:

During the year ended October 31, 2017, the Company:

- a) completed a non-brokered private placement in two tranches in August and September 2017 for gross proceeds of \$6,000,000 consisting of 38,709,676 flow-through shares at \$0.155 per flow-through share.

Finder’s fees payable in connection with the financing consisted of \$233,952 and 1,470,655 finders’ warrants exercisable for a period of 12 months at \$0.23 per share. The finder’s warrants have been recorded at a fair value of \$13,139, which is included in reserves. The fair value of the finder’s warrants was determined using the Black-Scholes option pricing model using the following assumptions: risk free rate interest rate of 1.27%, expected life of 1.00 year, expected volatility rate of 57.56% and a dividend rate of 0.00%. The Company incurred \$38,186 in other share issue costs.

- b) completed a non-brokered private placement in March 2017 for gross proceeds of \$15,248,000, consisting of 29,400,000 common shares at \$0.17 per share and 41,000,000 flow-through common shares at a price of \$0.25 per flow-through share. The Company incurred \$110,918 in other share issue costs.

IDM MINING LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
JANUARY 31, 2018

6. SHARE CAPITAL AND RESERVES (cont'd...)

Flow-Through Premium Liability:

The following is a continuity schedule of the liability portion of the flow-through share issuances:

Balance as of October 31, 2016	\$ 73,814
Flow-through share premium liability	4,054,194
Settlement of flow through share premium liability pursuant to qualified expenditures	<u>(3,119,453)</u>
Balance as of October 31, 2017	1,008,555
Flow-through share premium liability	-
Settlement of flow through share premium liability pursuant to qualified expenditures	<u>(71,398)</u>
Balance as of January 31, 2018	<u>\$ 937,157</u>

Stock options and warrants:

Stock option and warrant transactions are summarized as follows:

	Warrants		Stock options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, October 31, 2016	111,995,591	\$ 0.18	18,800,834	\$ 0.19
Granted	1,470,655	0.23	12,000,000	0.15
Exercised	(5,725,993)	0.15	-	-
Forfeited	<u>(10,262,721)</u>	<u>0.58</u>	<u>(45,834)</u>	<u>2.58</u>
Outstanding, October 31, 2017	97,477,532	0.18	30,755,000	0.17
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited	<u>(6,596,067)</u>	<u>0.14</u>	<u>-</u>	<u>-</u>
Outstanding, January 31, 2018	90,881,465	\$ 0.18	30,755,000	\$ 0.17
Number currently exercisable	90,881,465	\$ 0.18	28,642,500	\$ 0.17

IDM MINING LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
JANUARY 31, 2018

6. SHARE CAPITAL AND RESERVES (cont'd...)

Stock options and warrants outstanding (cont'd...)

The following incentive stock options and warrants were outstanding at January 31, 2018:

Number	Exercise price	Expiry date
Stock options		
2,850,000	\$ 0.24	July 3, 2019
150,000	0.30	October 10, 2019
1,230,000	0.11	April 27, 2020
2,925,000	0.10	October 27, 2020
10,500,000	0.19	May 11, 2021
350,000	0.23	July 19, 2021
750,000	0.19	August 26, 2021
7,500,000	0.15	February 2, 2022
1,300,000	0.17	February 9, 2022
200,000	0.155	May 1, 2022
<u>3,000,000</u>	0.14	October 18, 2022
<u>30,755,000</u>		
Warrants		
50,419,519	0.15	April 27, 2018
1,277,005	0.23	August 21, 2018
193,650	0.23	September 13, 2018
18,991,291	0.25	October 4, 2018*
<u>20,000,000</u>	0.20	July 31, 2020**
<u>90,881,465</u>		

*These warrants are subject to an accelerated expiry in the event that the Company's common shares trade at a closing price greater than \$0.37 per share for a period of 20 consecutive trading days. The Company may accelerate the expiry date of the warrants by giving notice via press release; in such case, the warrants will expire 30 days from the date of notice.

**These warrants are subject to an accelerated expiry in the event that the Company's common shares trade at a closing price greater than \$0.40 per share for a period of 20 consecutive trading days. The Company may accelerate the expiry date of the warrants by giving notice via press release; in such case, the warrants will expire 30 days from the date of notice.

6. SHARE CAPITAL AND RESERVES (cont'd...)

Share-based payments

The Company has a stock option plan under which it is authorized to grant options to directors, officers, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Directors.

Total share-based payments for options vested recognized in the statement of income/(loss) and comprehensive income/(loss) for the period ended January 31, 2018 was \$12,797 (2017 -\$38,431) pursuant to vesting incentive options. This amount was also recorded as reserves on the statement of financial position.

7. RELATED PARTY TRANSACTIONS

The consolidated financial statements include the financial statements of the Company and its 100% owned subsidiaries Revolution Resources (NC) Inc. (USA), Minera Revolution, S.A. de C.V. (Mexico) and Minera Golondrina S.de R.L. de C.V., (Mexico).

As of January 31, 2018, key management includes the Company's directors (executive and non-executive) and executive officers including its Executive Chairman, its Chief Executive Officer and President, Chief Financial Officer and VP Project Development.

During the three months ended January 31, 2018, the Company paid or accrued the following amounts as compensation to key management personnel:

- a) Salaries, bonuses and management fees of \$426,250 (2017 - \$294,800) to officers of the Company.
- b) Director fees of \$36,000 (2017 - \$21,000) to non-executive directors of the Company and companies controlled by directors of the Company.
- c) Professional advisory fees of \$4,987 (2017 - \$Nil) to a company controlled by a director of the Company.

Included in accounts payable is \$284,760 (October 31, 2017 - \$130,260) due to directors and officers of the Company.

The Company formerly operated from the premises leased by a private company with a common director. The private company provided office space and administrative services to the Company. During the period ended January 31, 2018, the Company paid or accrued \$17,818 (2017 - \$21,750) for office and administrative expenditures.

Falkirk Resource Consultants Ltd ("Falkirk"), is a private company, controlled by a director of the Company. During the period ended January 31, 2018, the Company paid or accrued \$128,503 (2017 - \$159,115) to Falkirk for services relating to the environmental baseline studies, permitting and government issues associated with the Red Mountain property.

Catana Consulting Ltd ("Catana"), is a private company, controlled by a close family member to the CEO and President of the Company. During the period ended January 31, 2018, the Company paid or accrued \$112,498 (2017 - \$81,799) to Catana for services related to first nation consultation and public engagement, environment assessment process and permitting.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions for the period ended January 31, 2018, include the Company:

- a) Included in accounts payable and accrued liabilities as at January 31, 2018 were \$890,662 in expenditures related to exploration and evaluation expenditures.

Significant non-cash transactions for the period ended January 31, 2017, include the Company:

- b) Included in accounts payable and accrued liabilities as at January 31, 2017 were \$706,979 in expenditures related to exploration and evaluation expenditures.

9. SUBSEQUENT EVENTS

- a) In March 2018, the Company announced a non-brokered private placement financing (the "Offering") to sell flow-through units ("Flow-Through Units") at a price of \$0.09 per Flow-Through Unit and non-flow-through units ("Common Units") at a price of \$0.08 per Common Unit, for aggregate gross proceeds of up to \$4.35 million.

Each Common Unit will consist of one common share of the Company (a "Common Share") and one-quarter of one non-transferable share purchase warrant, with each warrant entitling the holder thereof to acquire one Common Share at a price of \$0.12 per Common Share for a period of twenty-four (24) months following the closing of the Offering.

Each Flow-Through Unit will consist of one flow-through common share of the Company (a "Flow-Through Share") and one-quarter of one non-transferable share purchase warrant, with each warrant entitling the holder thereof to acquire one non-flow-through Common Share at a price of \$0.12 per Common Share for a period of twenty-four (24) months following the closing of the Offering.