BARKSDALE CAPITAL CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

(EXPRESSED IN CANADIAN DOLLARS)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Barksdale Capital Corp.

We have audited the accompanying consolidated financial statements of Barksdale Capital Corp., which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Barksdale Capital Corp. as at March 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other Matters

The financial statements of Barksdale Capital Corp. for the year ended March 31, 2016 were audited by another auditor who expressed an unmodified opinion on those statements on July 15, 2016.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada — Chartered Professional Accountants

July 28, 2017

BARKSDALE CAPITAL CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	March 31, 2017	March 31, 2016
	$	$
ASSETS		
Current		
Cash	583,864	633
Receivables	338	258
Prepaid expenses	1,250	-
	585,452	891
Exploration and evaluation assets (Note 4)	100,073	-
	685,525	891
LIABILITIES		
Current		
Accounts payable and accrued liabilities	89,051	219,636
Loans payable and accrued interest (Note 5)	-	224,806
	89,051	444,442
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share capital (Note 6)	17,887,805	16,737,805
Reserves	1,561,278	1,561,278
Deficit	(18,852,609)	(18,742,634)
	596,474	(443,551)
	685,525	891

Nature of Operations and Going Concern (Note 1)

Approved on behalf of the Board of Directors on July 28, 2017:

"Mark McCartney" Director *"Richard Silas"* Director

BARKSDALE CAPITAL CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	For the year ended March 31,	
	2017	2016
	$	**$**
Expenses		
Consulting fees	42,750	-
Interest expenses (Note 5)	16,974	33,124
Management fees (Note 7)	18,000	-
Office and rent	742	969
Professional fees (Note 7)	49,840	51,179
Transfer and filing fees	14,559	10,147
	(142,865)	(95,419)
Gain on derecognition of accounts payable and accrued liabilities	32,890	16,381
Loss and comprehensive loss for the year	(109,975)	(79,038)
Basic and diluted loss per share	(0.01)	(0.02)
Weighted average number of common shares outstanding	8,679,830	5,091,226

BARKSDALE CAPITAL CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

(Expressed in Canadian Dollars)

	Number of Shares Issued	Share Capital	Reserves	Accumulated Deficit	Total Shareholders' Equity (Deficiency)
		$	$	$	$
Balance at March 31, 2015	**2,545,583**	**16,737,805**	**1,561,278**	**(18,663,596)**	**(364,513)**
Net loss for the year	-	-	-	(79,038)	(79,038)
Balance at March 31, 2016	**2,545,583**	**16,737,805**	**1,561,278**	**(18,742,634)**	**(443,551)**
Share issued for cash	11,000,000	1,150,000	-	-	1,150,000
Net loss for the year	-	-	-	(109,975)	(109,975)
Balance at March 31, 2017	**13,545,583**	**17,887,805**	**1,561,278**	**(18,852,609)**	**596,474**

BARKSDALE CAPITAL CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	For the year ended March 31, 2017	2016
	$	**$**
Cash flows used in operating activities		
Net loss for the year	(109,975)	(79,038)
Items not affecting cash		
Accrued interest and accretion	16,974	33,124
Gain on derecognition of payables	(32,890)	(16,381)
Unrealized foreign exchange gain	(264)	-
	(126,155)	(62,295)
Changes in non-cash working capital items		
Receivables	(80)	(143)
Prepaid expenses	(1,250)	-
Accounts payable and accrued liabilities	(97,431)	11,033
	(224,916)	(51,405)
Cash flows used in investing activities		
Exploration and evaluation asset expenditures	(100,073)	-
Cash flows from financing activities		
Proceeds from share issuances	1,150,000	-
Proceeds from loans payable	22,400	52,000
Repayment of loans payable	(264,180)	-
	908,220	52,000
Net change in cash	583,231	595
Cash, beginning of year	633	38
Cash, end of year	583,864	633

1. NATURE OF OPERATIONS AND GOING CONCERN

Barksdale Capital Corp. ("the Company"), incorporated in British Columbia, is a public company listed on the NEX board of the TSX Venture Exchange ("TSXV") and trades under the symbol BRO.H. The Company's registered office is Suite 610, 815 West Hastings Street, Vancouver, British Columbia, Canada, V6C 1B4.

The Company's principal business activities include the acquisition and exploration of mineral properties. The Company has not yet determined whether its exploration and evaluation assets contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is 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. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

These consolidated financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses. A number of alternatives are being evaluated with the objective of funding ongoing activities and obtaining additional working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due.

The Company has not generated revenues from its operations to date. As at March 31, 2017, the Company has accumulated net losses of $18,852,609 since inception and has working capital of $496,401. The operations of the Company have primarily been funded by the issuance of common shares. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Management believes that the Company has sufficient working capital to meet the Company's obligations over the next twelve months. There is no assurance that management will be able to complete any additional financing.

On July 25, 2016, the Company consolidated its share capital on the basis of one post-consolidated common share for every two pre-consolidated common shares. All common share and per common share amounts in these consolidated financial statements have been adjusted to give retroactive effect to the share consolidation.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

These consolidated financial statements for the year ended March 31, 2017 were authorized by the Board of Directors for issuance on July 28, 2017.

b) Basis of Presentation

These consolidated financial statements are presented in Canadian dollars. The Canadian dollar is the functional currency of the Company.

2. BASIS OF PRESENTATION (CONTINUED)

c) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, TBJ Resources (US) Inc. All significant intercompany accounts and transactions between the Company and its subsidiary have been eliminated upon consolidation.

d) Use of Estimates and Judgements

The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from management's best estimates as additional information becomes available.

Significant areas requiring the use of management estimates and judgments include:

(i) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

(ii) The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available to identify new business opportunities and working capital requirements, the outcome of which is uncertain.

(iii) The determination that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

3. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with IFRS and reflect management's consideration of the following significant accounting policies:

a) Foreign Currency Transactions

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its subsidary is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*. Transactions in currencies other than Canadian dollars are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in net income (loss).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Exploration and Evaluation Assets

Pre-exploration costs are expensed as incurred. Costs directly related to the acquisition and exploration of exploration and evaluation assets are capitalized once the legal rights to explore the exploration and evaluation assets are acquired or obtained. When the technical and commercial viability of a mineral resource has been demonstrated and a development decision has been made, the capitalized costs of the related property are first tested for impairment, then transferred to mining assets and depreciated using the units of production method on commencement of commercial production.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Exploration and evaluation assets are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

c) Provision for Environmental Rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of tangible long-lived assets in the period when the liability arises. The net present value of future rehabilitation costs is capitalized to the long-lived asset to which it relates with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax risk-free rate that reflects the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as interest expense.

The Company has no known restoration, rehabilitation or environmental costs related to its mineral properties.

d) Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Impairment of Tangible and Intangible Assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

e) Share-based Compensation

The Company operates an employee stock option plan. Share-based compensation to employees is measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based compensation to non-employees is measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to reserves. The fair value of options is determined using the Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

f) Income Taxes

Income taxes are calculated whereby temporary differences arising from the difference between the tax basis of an asset or liability and its carrying amount in the consolidated financial statements are used to calculate deferred income tax liabilities or assets. Deferred income tax liabilities or assets are calculated using the substantively enacted tax rates anticipated to apply in the periods that the temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

g) Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. Potentially dilutive options and warrants excluded from diluted loss per share totalled Nil (2016 – Nil).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Financial Instruments and Risk Management

Financial instruments are classified into one of five categories: fair value through profit or loss ("FVTPL"), available-for-sale, held-to-maturity, loans and receivables or other financial liabilities. Financial instruments and derivatives are measured in the statement of financial position at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. FVTPL financial instruments are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired.

The Company has classified its cash as FVTPL, receivables as loans and receivables and accounts payable and loans payable and accrued interest as other financial liabilities.

Derivatives embedded in other financial instruments must be separated and measured at fair value. The Company does not engage in any form of derivative or hedging instruments.

i) Accounting standards and amendments not yet adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2017 and have not been applied in preparing these consolidated financial statements:

IFRS 9 – Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 – Clarifications to IFRS 15 "Revenue from Contracts with Customers" issued. The amendments do not change the underlying principles of the standard, just clarify and offer some additional transition relief. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 16 – Leases, establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. The standard is effective for annual periods beginning on or after January 1, 2019.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company's consolidated financial statements.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Swales
Balance, March 31, 2016	**-**
Lease payments	100,073
Balance, March 31, 2017	**100,073**

Swales Project

In December 2016, the Company entered into a mining lease agreement (the "Agreement") to lease a 100% right in certain unpatented lode mining claims known as the Swales Project ("Swales"), situated in Elko County, Nevada, U.S., for a primary period of 10 years. Under the terms of the Agreement, the Company is required to pay the following yearly minimum payments.

Date	Payment amount (US$)
Upon execution of the agreement (paid)	75,000
December 11, 2017	75,000
December 11, 2018	75,000
December 11, 2019	100,000
December 11, 2020	150,000
December 11, 2021	250,000
December 11, 2022	500,000
December 11, 2023	750,000
December 11, 2024 and each anniversary date thereafter.	1,500,000

The Agreement is subject to a nonparticipating royalty based on the gross value from the production or sale of minerals from Swales of 3% with a buy-down option of 0.5% for US$2,500,000, at anytime before December 11, 2021. The minimum payments above shall be credited cumulatively against any royalty obligations.

In addition, the Company is required to meet annual drilling commitments as follows:

Date	Minimum Feet Drilled
December 11, 2018	7,500'
December 11, 2019	10,000'
December 11, 2020	10,000'
December 11, 2021	10,000'
December 11, 2022	20,000'
December 11, 2023	20,000'
December 11, 2024	20,000'
December 11, 2025	20,000'
December 11, 2026 and each anniversary date thereafter.	20,000'

In the event the Company fails to satisfy the minimum drill commitment in any year, the Company will be required to pay US$50 for each one foot (1') shortfall in drilling in that year.

5. LOANS PAYABLE AND ACCRUED INTEREST

(i) March 2013 Loan

On March 7, 2013, the Company entered into an unsecured working capital loan facility with a third party to partially fund the Company's working capital deficiency. The working capital loan facility bore interest at 12% per annum, was subject to an original issue discount of 20% and was due for repayment March 31, 2016 pursuant to an amending agreement. During the year ended March 31, 2017, the Company fully repaid the loan principal and accrued interest totaling $160,680.

(ii) April 2015 Loan

On April 20, 2015, the Company entered into an additional unsecured working capital loan facility with a third party. The working capital loan facility bears interest at 12% per annum, was subject to an original issue discount of 20% and was due for repayment March 31, 2016. During the year ended March 31, 2017, the Company borrowed a further $22,400 under this facility and accrued $9,501 of interest (March 31, 2016 - $19,599). In August 2016, the Company fully repaid the loan principal and accrued interest of $103,500.

6. SHARE CAPITAL AND STOCK OPTIONS

Authorized Share Capital

The authorized share capital is comprised of an unlimited number of common shares without par value.

Issued Share Capital

On August 19, 2016, the Company closed a private placement of 7,000,000 common shares at $0.05 per common share for gross proceeds of $350,000.

On October 17, 2016, the Company closed a private placement of 4,000,000 common shares at $0.20 per common share for gross proceeds of $800,000.

Stock Options

The Company's stock option plan provides for the issuance of stock options to its officers, directors, employees and consultants. Stock options are non-transferable and the aggregate number of shares that may be reserved for issuance pursuant to stock options may not exceed 10% of the issued shares of the Company at the time of granting. The exercise price and vesting terms of stock options is determined by the Board of Directors of the Company at the time of grant.

There were no stock options outstanding and exercisable as at March 31, 2017, March 31, 2016, and March 31, 2015.

7. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

	For the year ended March 31,	
	2017	2016
	$	$
Professional fees	**9,500**	-
Management fees	**18,000**	-
	27,500	-

As at March 31, 2017, $5,000 (March 31, 2016 - $nil) was included in accounts payable and accrued liabilities owing to a company controlled by a director and officer of the Company.

8. SEGMENTED INFORMATION

The Company has one operating segment, being the acquisition and exploration of mineral properties. All non-current assets of the Company are located in the USA.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and loans payable and accrued interest. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company conducts exploration and evaluation activities in the United States. As such, it is subject to risk due to fluctuations in the exchange rates for the Canadian and US dollars. As at March 31, 2017, the Company does not have any significant monetary assets or liabilities in US dollars, therefore, the Company has determined that there is very limited currency risk at this time.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

b) Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and receivable is due from the Government of Canada. As such, the Company determined that it is not exposed to significant credit risk.

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds cash and highly liquid short-term investments.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

e) Commodity price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of gold. The Company monitors gold prices to determine the appropriate course of action to be taken.

10. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of all components of shareholders' equity (deficiency). The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support the exploration of its mineral properties.

The Company is an exploration stage company, as such the Company is dependent on external equity financing to fund its activities. In order to pay for administrative costs and exploration expenditures, the Company plans to raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended March 31, 2017. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

11. INCOME TAXES

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

	2017	2016
	$	$
Loss for the year	(109,975)	(79,038)
Expected income tax (recovery)	(29,000)	(20,550)
Change in statutory, foreign tax, foreign exchange rates and other	-	4,030
Change in unrecognized deductible temporary differences	29,000	16,520
Total income tax expense (recovery)	**-**	**-**

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2017	Expiry Date Range	2016	Expiry Date Range
	$		$	
Temporary Differences				
Exploration and evaluation assets	3,297,000	No expiry date	3,297,000	No expiry date
Allowable capital losses	41,000	No expiry date	41,000	No expiry date
Non-capital losses available for future period				
Canada	5,931,000	2027 to 2037	5,826,000	2027 to 2036
USA	6,000	2037	-	N/A

Tax attributes are subject to review, and potential adjustment, by tax authorities.