



NEW CAROLIN GOLD CORP.

**Condensed Interim Financial Statements
For the Six Months Ended April 30, 2019 and 2018**

***NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS***

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

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

New Carolin Gold Corp.
Condensed Interim Statements of Financial Position
(Unaudited – prepared by management)
Canadian dollars

	April 30, 2019	October 31, 2018
	\$	\$
ASSETS		
Current Assets		
Cash	78,980	20,154
Amounts receivable	7,870	165,450
Prepaid expenses	16,726	32,683
	<u>103,576</u>	<u>218,287</u>
Exploration and evaluation assets (note 4)	10,384,291	10,290,709
Reclamation bonds (note 4)	220,000	220,000
	<u>10,707,867</u>	<u>10,728,996</u>
LIABILITIES		
Accounts payable and accrued liabilities (notes 8 and 12)	1,673,742	1,705,544
Decommissioning provision (note 4)	220,000	220,000
	<u>1,893,742</u>	<u>1,925,544</u>
EQUITY		
Share capital (note 5)	17,051,653	16,693,366
Reserves	2,459,466	2,456,853
Deficit	(10,696,994)	(10,346,767)
	<u>8,814,125</u>	<u>8,803,452</u>
	<u>10,707,867</u>	<u>10,728,996</u>

Nature of operations and going concern (note 1)
 Commitments (note 11)
 Subsequent events (note 14)

Approved on behalf of the board of directors on July 2, 2019

“Kenneth Holmes”
 Kenneth Holmes
 Director

“Robert P. Lunde”
 Director

The accompanying notes are an integral component of these condensed interim financial statements

New Carolin Gold Corp.
Condensed Interim Statements of Comprehensive Loss
For the Six Months Ended April 30, 2019 and 2018
(Unaudited – prepared by management)
Canadian dollars

	Three months ended April 30,		Six months ended April 30,	
	2019 \$	2018 \$	2019 \$	2018 \$
EXPENSES				
Consulting fees (note 8)	61,273	368,933	178,071	498,033
Filings and investor relations	27,253	84,182	134,186	130,167
General and administration	10,356	21,070	14,824	28,635
Professional fees (note 8)	3,581	42,261	17,188	89,847
Insurance	1,196	4,433	5,957	8,865
Loans payable interest and accretion (note 8)	-	-	-	23,621
Penalties and other interest expense	-	1,858	-	1,858
Share-based payments	-	157,102	-	314,020
Net and comprehensive loss	(103,660)	(679,839)	(350,227)	(1,095,046)
Net loss per share				
Basic and diluted	(0.003)	(0.029)	(0.011)	(0.056)
Weighted average number of common shares outstanding	31,777,175	23,281,251	31,114,868	19,464,977

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New Carolin Gold Corp.
Condensed Interim Statements of Changes in Equity
(Unaudited – prepared by management)
Canadian dollars

	Shares Issued	Share Capital \$	Share-based Payments Reserve \$	Warrant Reserve \$	Deficit \$	Total equity \$
October 31, 2017	18,132,879	13,537,301	1,510,340	411,479	(8,309,824)	7,149,296
Loss for the period	-	-	-	-	(1,095,046)	(1,095,046)
Shares issued in respect of flow-through financing	713,427	249,700	-	-	-	249,700
Shares issued in respect of private placement of units	5,000,000	1,250,000	-	-	-	1,250,000
Share issue costs	-	(66,369)	22,369	-	-	(44,000)
Share-based payments	-	-	314,020	-	-	314,020
Balance as at April 30, 2018	23,846,306	14,970,632	1,846,729	411,479	(9,404,870)	7,823,970
October 31, 2018	29,317,176	16,693,366	2,010,427	446,426	(10,346,767)	8,803,452
Loss for the period	-	-	-	-	(350,227)	(350,027)
Shares issued in respect of flow-through financing	-	-	-	-	-	-
Shares issued in respect of private placement of units	2,459,999	369,000	-	-	-	369,000
Share issue costs	-	(10,713)	-	2,613	-	(8,100)
Share-based payments	-	-	-	-	-	-
Balance as at April 30, 2019	31,777,175	17,051,653	2,010,427	449,039	(10,696,994)	8,814,125

The accompanying notes are an integral component of these condensed interim financial statements

New Carolin Gold Corp.
Condensed Interim Statements of Cash Flows
For the Six Months Ended April 30, 2018 and 2017
(Unaudited – prepared by management)
Canadian dollars

	2019 \$	2018 \$
Cash provided by (used for)		
Operating activities		
Net loss for the period	(350,227)	(1,095,046)
Non-cash items:		
Share-based payments	-	314,020
Accrued interest and accretion – term loans	-	-
Accrued interest and accretion – loans payable	-	23,621
Interest paid by issuance of shares	-	-
Change in non-cash working capital items:		
Amounts receivable	157,580	(15,921)
Accounts payable and accrued liabilities	(31,802)	104,036
Prepaid expenses	15,957	(94,415)
Cash flows used for operating activities	<u>(208,492)</u>	<u>(763,705)</u>
Financing activities		
Loan payable proceeds (repayment)	-	(210,000)
Issue of units and flow-through shares for cash	-	249,700
Shares issued for cash	369,000	1,250,000
Share issue costs	(8,100)	(44,000)
Cash flows provided by financing activities	<u>360,900</u>	<u>1,245,700</u>
Investing activity		
Investment in exploration and evaluation assets	(93,582)	(552,371)
Reclamation bond	-	-
Cash flows used for investing activity	<u>(93,582)</u>	<u>(552,371)</u>
Increase in cash	58,826	(70,376)
Cash beginning of period	20,154	112,779
Cash end of period	<u>78,980</u>	<u>42,403</u>

Supplemental cash flow information (note 12)

The accompanying notes are an integral component of these condensed interim financial statements

1. Nature of operations and going concern

New Carolin Gold Corp. is a Canadian resource exploration and development company incorporated in British Columbia. The Company maintains its head office in Vancouver, British Columbia.

As at April 30, 2019, the Company holds a 100% interest in the Ladner Gold Project located in southwestern British Columbia. The property is subject to a 2% net smelter return and a lesser portion of the property is subject to a 5% net profits interest.

Effective January 16, 2018, the Company completed a share consolidation on the basis of ten (10) pre-consolidation common shares for one (1) post-consolidation common share. All periods presented have been retrospectively adjusted to reflect this consolidation.

These financial statements have been prepared on a going concern basis, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has not generated revenues from operations and has a significant working capital deficiency of \$1,790,166 (October 31, 2018 - \$1,707,257). The continuing operations of the Company are dependent on its ability to obtain additional financing. As a result there exists a material uncertainty that raises significant doubt about the Company's ability to continue as a going concern. Management plans to obtain sufficient working capital from external financing to meet the Company's liabilities and commitments as they become due. The financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Basis of presentation

- a) These condensed interim financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting" ("IAS 34") as issued by the International Financial Reporting Accounting Standards Board ("IASB") and interpretations of the International Accounting Standard Board (IASB). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with IASB, have been omitted or condensed.

The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

These financial statements were approved for issue on July 2, 2019.

- b) Basis of measurement

The financial statements have been prepared using the same accounting policies and methods as those used in the financial statements for the year ended October 31, 2018, except for the impact of the adoption of the accounting standard described below. These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit and loss, which are stated at their fair value and are presented in Canadian dollars, which is also the Company's functional currency, unless otherwise indicated. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. Adoption of new accounting pronouncements and recent developments

Certain new accounting standards and interpretations have been published, as described in the Annual MD&A and in Note 3(l) of the audited financial statements for the year ended October 31, 2018. Management has adopted the standards that became effective on January 1, 2018 and is currently reviewing the impact of future policy changes for materiality. Additional disclosures may be necessary in future years.

New pronouncements

IFRS 16 Leases

IFRS 16 was issued in January 2016 and specifies how an IFRS reporter will 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. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard is effective for reporting periods beginning on or after January 1, 2019.

4. Exploration and evaluation assets

	April 30, 2019	October 31, 2018
Acquisition costs		
Balance, beginning of the period	\$ 3,884,511	\$ 3,884,511
Acquisition costs	-	-
Decommissioning provision	-	-
Total acquisition costs, end of the period	3,884,511	3,884,511
Exploration costs		
Balance, beginning of the period	6,406,198	4,701,085
Assay and analysis	-	26,881
Drilling	-	1,667,853
Geological and consulting	56,087	48,902
Property taxes	-	-
Site activities	37,495	234,755
Government assistance	-	(63,278)
Total exploration costs, end of the period	6,499,780	6,406,198
Total exploration and evaluation assets, end of the period	\$ 10,384,291	\$ 10,290,709

Ladner Gold Project

The Company owns a 100% interest in the Ladner Gold Project near Hope, BC. It is approximately 144 square kilometers in area and is situated in the prospective and largely unexplored Coquihalla Gold Belt. The Project holds 5 historic gold mines dating back to the early 1900s and 24 other known gold occurrences, including the former gold-producing Carolin Mine. There also exists the original permitting for the Carolin Mine, significant underground development, road access and a tailings facility. To date, three mineral resources have been established. A significant portion of the property is subject to a 2% net smelter return and a lesser portion of the property is subject to a 5% net profits interest. For more details regarding the Company's Ladner Gold Project and Mineral Resources, see the Company's National Instrument 43-101 Technical Report for the Ladner Gold Project dated May 29, 2015 (the "Company's Technical Report") and subsequent news releases, all of which are filed on www.SEDAR.com..

In connection with the Project, the Company has a total of \$220,000 placed with the Province of British Columbia in environmental and mining bonds. During the year ended October 31, 2017, the Company recognized a decommissioning provision of \$220,000 equal to the value of the bonds. The timing of the settlement of the obligation cannot be reasonably determined at this time.

4. Exploration and evaluation assets (continued)

Ladner Gold Project (continued)

On May 1, 2018, the Company sold certain equipment for a price of \$210,000 to help finance the cost of exploration. Additionally, on May 1, 2018, the Company signed an agreement to lease back the equipment for a cost of \$150,000 to be paid over a period of nine months, plus an additional \$30,000 lump sum payment, which was satisfied by the issuance of 86,957 shares on October 30, 2018.

Property option agreement with Crucible Resources Ltd.

On February 11, 2016, the Company entered into an option agreement with Crucible Resources Ltd. (“Crucible”) to acquire the Warkentin Property, whereby the Company can acquire 20 mineral claims covering 30 square kilometers situated near the southern portion of the Ladner Gold Project, under the following terms:

- a) Paying Crucible \$32,000 (paid) in respect of settlement of the previous agreement and to secure the new Option;
- b) The Company can acquire all 20 claims at any time for a total of \$50,000 over five years;
- c) Funds spent on exploration will be factored into the \$50,000 acquisition purchase price; and
- d) Crucible retains a 2% NSR, which the Company may purchase for \$250,000 for the first 1% and \$500,000 for the second 1%.

5. Share capital

a. Authorized

Unlimited common shares without par value.

b. Issued shares

As at April 30, 2019, the Company has 31,777,175 common shares outstanding (October 31, 2018 – 29,317,176).

Effective January 16, 2018, the Company completed a share consolidation on the basis of ten (10) pre-consolidation common shares for one (1) post-consolidation common share. All periods presented have been retrospectively adjusted to reflect this consolidation.

Share issuances during the six months ended April 30, 2019

On December 19, 2018, the Company issued 2,459,999 units (“Unit”) at a price of \$0.15 per Unit for gross proceeds of \$369,000. Each Unit consists of one common share of the Company and one share purchase warrant (“Warrant”), with each Warrant entitling the holder to purchase one additional common share at a price of \$0.25 per share for a period of twenty four months from the date of closing. Finder’s fees of \$8,100 and finder’s warrants totaling 54,000 warrants were paid on portions of the unit offering. Each finder’s warrant issued is for a period of twelve months and exercisable at a price of \$0.25 per share.

Share issuances during the year ended October 31, 2018

During the year ended October 31, 2018, 750,000 stock options priced at \$0.255 were exercised for gross proceeds of \$191,250.

On October 30, 2018, the Company announced that it issued 86,957 shares with a fair value of \$0.18 per share to a third party to satisfy equipment rental payments of \$30,000, resulting in a gain on settlement of debt of \$14,783.

On July 17, 2018, the Company issued 4,633,913 units (“Unit”) at a price of \$0.30 per Unit for gross proceeds of \$1,390,174.

5. Share capital (continued)

b. Issued shares (continued)

Each Unit consists of one common share of the Company and one share purchase warrant (“Warrant”), with each Warrant entitling the holder to purchase one additional common share at a price of \$0.45 per share for a period of twelve months from the date of closing. Finder’s fees of \$18,247 and finder’s warrants totaling 80,824 warrants were paid on portions of the unit offering. Each finder’s warrant issued is for a period of twelve months and exercisable on the same terms as the Unit Warrants.

On February 8, 2018, the Company issued 5,000,000 units (“Unit”) at a price of \$0.25 per Unit for gross proceeds of \$1,250,000. Each Unit consists of one common share of the Company and one-half of one common share purchase warrant (“Warrant”), with each whole Warrant entitling the holder to purchase one additional common share at a price of \$0.35 per share for a period of two years from the date of closing. Finder’s fees of \$32,000 and finder’s warrants totaling 80,000 warrants were paid on portions of the unit offering. Each finder’s warrant was issued for a period of two years and exercisable on the same terms as the Unit Warrants.

On February 8, 2018, the Company issued 142,000 flow-through common shares at a price of \$0.35 per flow through share for proceeds of \$49,700. Finder’s fees total \$4,000 in cash were paid in connection with the flow through offering.

On December 29, 2017, the Company issued 571,427 flow-through common shares at a price of \$0.35 per flow through share for proceeds of \$200,000. Finder’s fees total \$8,000 in cash were paid in connection with the flow through offering.

c. Warrants

The following table summarizes the Company’s warrant transactions:

	Number of warrants	Weighted average exercise price
Balance October 31, 2017	5,417,126	\$ 0.88
Issued	7,294,737	0.41
Expired	(4,567,500)	0.89
Balance October 31, 2018	8,144,363	0.46
Issued	2,513,999	0.25
Expired	(771,616)	0.90
Balance April 30, 2019	9,886,746	\$ 0.38

As at April 30, 2019, the following warrants were outstanding:

Warrants Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
4,898,626	\$0.69	1.09 years

The fair value for the warrants issued to finders during the six months ended April 30, 2019 was \$22,369, which was calculated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on issue date of \$0.43, exercise price of \$0.35, a risk free rate of 1.83%, an expected life of 2 years, an expected annualized volatility of 120%, and no expectation of dividend payments. Volatility was determined based on historical volatility.

The fair value for the warrants issued to finders during the year ended October 31, 2018 was \$56,413, which was calculated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on issue date of \$0.71, exercise price of \$0.71, a risk free rate of 0.68%, an expected life of 2.61 years, an expected annualized volatility of 115%, and no expectation of dividend payments. Volatility was determined based on historical volatility.

New Carolin Gold Corp.
Notes to the Condensed Interim Financial Statements
For the Six Months Ended April 30, 2019 and 2018
(Unaudited – prepared by management)
Canadian dollars

6. Share-based payments

The Company has adopted an incentive stock option plan (the “Plan”), the essential elements of which provide that options granted under the Plan: 1) may in aggregate not exceed 10% of the Company’s issued and outstanding common shares; 2) can have a maximum term of five (5) years; and 3) must be granted with an exercise price of not less than the market price of the shares (the closing market price on the last day shares are traded prior to the grant date).

The following table summarizes the Company’s stock option transactions:

	Number of options	Weighted average exercise price
Balance October 31, 2017	1,675,000	\$ 0.70
Granted	2,415,000	0.33
Exercised	(750,000)	0.255
Cancelled / forfeited	(545,000)	0.85
Balance October 31, 2018	2,795,000	0.48
Cancelled / forfeited	(175,000)	0.50
Balance April 30, 2019	2,620,000	\$ 0.52

The following table summarizes the stock options outstanding at April 30, 2019:

Options Outstanding	Exercise Price	Remaining Contractual Life	Number of Options Currently Exercisable
6,500	0.50	0.11 years	6,500
85,000	0.50	0.69 years	85,000
43,500	0.50	0.91 years	43,500
70,000	0.50	1.14 years	70,000
265,000	0.85	1.97 years	265,000
45,000	1.10	2.12 years	45,000
50,000	0.90	2.24 years	50,000
50,000	0.60	2.68 years	50,000
340,000	0.70	2.71 years	340,000
440,000	0.40	3.87 years	440,000
825,000	0.30	4.08 years	825,000
400,000	0.35	4.25 years	400,000
2,620,000	\$ 0.49	3.78 years	2,620,000

During the six months ended April 30, 2019, there were nil (April 30, 2018 – 1,190,000) stock options granted by the Company. Using the assumptions below, the fair value of options granted and vested during the six months ended April 30, 2019 was \$nil (April 30, 2018 – \$314,020).

On January 17, 2018, the 750,000 stock options granted by the Company were calculated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on grant date of \$0.255, exercise price of \$0.255, a risk-free rate of 0.69%, an expected life of 5 years, an expected annualized volatility of 120% and no expectation of dividends payments. These options were exercised during the nine months ended July 31, 2018 for gross proceeds of \$191,250. Volatility was determined based on historical volatility.

New Carolin Gold Corp.
Notes to the Condensed Interim Financial Statements
For the Six Months Ended April 30, 2019 and 2018
(Unaudited – prepared by management)
Canadian dollars

6. Share-based payments (continued)

On March 13, 2018, the 440,000 stock options granted by the Company were calculated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on grant date of \$0.40, exercise price of \$0.40, a risk-free rate of 1.99%, an expected life of 5 years, an expected annualized volatility of 142% and no expectation of dividends payments. Volatility was determined based on historical volatility.

On May 31, 2018, the 825,000 stock options granted by the Company were calculated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on grant date of \$0.30, exercise price of \$0.30, a risk-free rate of 2.11%, an expected life of 5 years, an expected annualized volatility of 141% and no expectation of dividends payments. Volatility was determined based on historical volatility.

On August 3, 2018, the Company granted 400,000 stock options priced at \$0.35 per share expiring August 2, 2023, of which 350,000 options were issued to a director of the Company.

7. Related party transactions

At April 30, 2019, included in accounts payable and accrued liabilities is \$619,904 (October 31, 2018 – \$457,714) owed to current and former officers and directors for salary capitalized to exploration and evaluation assets, consulting fees and reimbursement of expenses. Amounts due to/from related parties are non-interest bearing, unsecured and have no fixed terms of repayment unless otherwise noted. Fair value cannot be readily determined.

Key management includes the Company's directors and officers. Compensation awarded to key management includes:

	April 30, 2019	April 30, 2018
Salaries capitalized to evaluation and exploration assets, consulting fees, director fees, and professional fees	\$ 128,455	\$ 380,300
	\$ 128,455	\$ 380,300

These transactions were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties.

8. Loans payable

During the year ended October 31, 2017, the Company arranged a third-party loan for \$210,000. The loan has a term of one year, an interest rate of 13% per annum compounded quarterly, and was secured by a general security agreement over the assets of the Company. The Company issued 350,000 bonus common share purchase warrants exercisable at \$0.60 per share for a period of one year to the lender in connection with the loan. The fair value of the warrants was \$75,315, which was calculated using the Black-Scholes option pricing model based on the following weighted average assumptions: share price on issue date of \$0.60, a risk-free rate of 0.70%, an expected life of 1 year, an expected annualized volatility of 92.53%, and no expectation of dividend payments. Volatility was determined based on historical volatility. This financing cost has been recorded against the carrying amount of the loan, and has been accreted over the term of the loan, which was repaid during the year ended October 31, 2018.

9. Capital disclosures

The Company's objectives when managing capital are to:

- (i) Maintain a flexible capital structure which optimizes the cost of capital at acceptable risk;
- (ii) Continue the development and exploration of its resource property; and
- (iii) Support expansion plans.

In the management of capital, the Company includes shareholders' equity, term loans and the current portion of loans, if any.

The Company manages its capital structure and makes adjustments to it when the economic and risk conditions of the underlying assets require change. In order to maintain or adjust the capital structure, the Company may issue new shares or issue new debt. The Company has in place a rigorous planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operations and growth objectives. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed restrictions.

10. Financial instruments and risk management

Fair value

The Company categorizes its fair value measurements for financial assets and financial liabilities at fair value according to a three level hierarchy which prioritizes the inputs used in the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest level input significant to the overall fair value measurement. The three levels of the fair value hierarchy based on the reliability of inputs are as follows:

Level 1: Fair value measurements derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements derived from inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and

Level 3: Fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The Company did not have any financial instruments carried at fair value at April 30, 2019 and October 31, 2018.

Risk management

The Company is exposed, in varying degrees, to a variety of financial risks. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management procedures are established to identify and analyze the risks faced by the Company.

The types of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk: Credit risk refers to the risk that another entity will default on its contractual obligations resulting in financial loss to the Company. The Company's cash is deposited at a high credit-worthy financial institution. All of the Company's amounts receivable is with the federal government of Canada and the reclamation bonds are with the provincial government of British Columbia.

Market risk: Market risk includes currency risk, interest rate risk and price risk. The Company's activities expose it primarily to the financial risks of changes in the price of resources. The Company does not currently hold any financial instruments that mitigate this risk.

Liquidity risk: Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due, or can only do so at excessive cost. The Company expects to satisfy current accounts payable and accrued liabilities of \$1,673,742 (October 31, 2018 - \$1,705,544) by continuing to finance its activities by raising funds from private equity investments. Even if it has succeeded in financing its activities in the past, management cannot comment on the success of its future fund raising and believes that liquidity risk is high. At April 30, 2019, the Company's accounts payable and accrued liabilities are due on demand or within 30 days.

11. Commitments

Flow-through share subscription agreements

The Company entered into flow-through share subscription agreements during the year ended December 31, 2008 whereby it was committed to incur on or before December 31, 2009 a total of \$600,000 of qualifying Canadian Exploration Expenses (“CEE”) as described in the Income Tax Act of Canada, of which \$290,723 was not fulfilled. An amount totaling \$187,400 has been accrued for the indemnification of shareholders for taxes and penalties related to the unspent portion of the commitment.

The Company entered into flow-through share subscription agreements during the year ended December 31, 2009 whereby it was committed to incur on or before December 31, 2010 a total of \$575,000 of qualifying CEE, of which \$113,764 was not fulfilled. An amount totaling \$70,800 has been accrued for the indemnification. In addition, Part XII.6 taxes and related interest and penalties of \$116,000 were accrued on the unfulfilled commitments.

During the year ended October 31, 2018, the Company raised \$249,700 from flow-through financing, of which \$249,700 has been incurred on qualifying CEE during the year, and \$nil is left to be spent by December 31, 2018.

12. Supplemental cash flow information

Non-cash financing transactions:	April 30, 2019	April 30, 2018
Warrants issued to finder	\$ -	\$ 22,369

Included in accounts payable and accrued liabilities is \$891,347 (October 31, 2018 - \$1,068,994) related to investment in exploration and evaluation assets.

13. Subsequent events

On May 23, 2019, the Company announced a 12,000,000 Unit offering at a price of \$0.09 per Unit for gross proceeds of up to \$1,080,000. Each Unit is comprised of one common share and one half share purchase warrant (“Warrant”) with each whole warrant entitling the holder to purchase one additional common share at a price of \$0.15 per share for a period of twelve months from the closing date. If completed, proceeds of the Unit offering will be used to continue drilling the Company’s Ladner Gold Project in southwestern British Columbia and general working capital.