GRANDE PORTAGE RESOURCES LTD.
(An Exploration Stage Company)
Condensed Interim Consolidated Financial Statements
April 30, 2017 and 2016
(Expressed in Canadian Dollars)

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and all information in the quarterly report are the responsibility of the Board of Directors and management. These condensed interim consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Management maintains the necessary systems of internal controls, policies and procedures to provide assurance that assets are safeguarded and that the financial records are reliable and form a proper basis for the preparation of financial statements.

The Board of Directors ensures that management fulfils its responsibilities for financial reporting and internal control through an Audit Committee. This committee, which reports to the Board of Directors, meets with the independent auditors and reviews the financial statements.

The condensed interim consolidated financial statements for the six-month period ended April 30, 2017 and 2016 are unaudited and prepared by Management.

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

"Ian Klassen" (signed)	*"Michele Pillon" (signed)*
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Ian Klassen President, CEO and Director	Michele Pillon Chief Financial Officer

Vancouver, British Columbia
June 26, 2017

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT APRIL 30, 2017 AND 2016
(Expressed in Canadian Dollars)

	Note	April 30, 2017	October 31, 2016
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		612,509	196,730
Marketable securities	7	1,695	1,553
Amounts receivable		20,982	12,165
Prepaid expenses		4,333	15,920
		639,519	226,368
RECLAMATION BONDS	6	-	-
EXPLORATION AND EVALUATION ASSETS	8	4,424,124	4,326,701
		5,063,643	4,553,069
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		255,369	407,429
		255,369	407,429
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	10	19,069,113	18,141,072
SUBSCRIPTIONS RECEIVED		-	165,450
RESERVES		1,866,349	1,842,517
DEFICIT		(16,127,188)	(16,003,399)
		4,808,274	4,145,640
		5,063,643	4,553,069

Nature of Operations and Going Concern (Note 1)
Commitment (Note 14)
Subsequent Events (Note 15)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

"Ian Klassen"	Director	*"Alistair MacLennan"*	Director
Ian Klassen		Alistair MacLennan	

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THE SIX MONTHS ENDED APRIL 30, 2017 AND 2016
(Expressed in Canadian Dollars)

	Three Months Ended April 30,		Six Months Ended April 30,	
	2017	2016	**2017**	2016
Administrative expenses				
Management fees	**$ 42,150**	$ 40,500	**$ 84,300**	$ 81,000
Legal and accounting	**46,177**	29,263	**58,710**	38,330
Office and miscellaneous	**9,032**	1,500	**10,868**	3,052
Regulatory and transfer agent fees	**9,570**	12,537	**17,217**	13,842
Rent	**4,500**	4,500	**9,000**	9,000
Investor & shareholder relations	**2,220**	1,185	**2,886**	1,671
Travel & promotion	**737**	-	**1,402**	-
Total expenses	**(114,386)**	(89,485)	**(184,383)**	(146,895)
Other items				
Foreign Exchange loss (gain)	**188**	1,063	**(1,801)**	1,003
Sale of equipment	**6,650**	-	**6,650**	-
Sale of Crown Grants	**-**	-	**55,600**	-
Unrealized gain / (loss) on marketable securities	**(206)**	(323)	**143**	(375)
Interest & investment income	**-**	(13)	**-**	(13)
	6,632	727	**60,592**	615
Gain / (Loss) for the period	**(107,756)**	(90,212)	**(123,789)**	(147,510)
Deficit, beginning of period	**(16,019,432)**	(15,674,311)	**(16,003,399)**	(15,617,013)
Deficit, end of period	**$ (16,127,188)**	$ (15,764,523)	**$ (16,127,188)**	$ (15,764,523)
Gain / (Loss) per share	**$ 0.00**	$ 0.01	**$ 0.00**	$ 0.01
Weighted average number of shares outstanding	**18,964,759**	7,962,484	**17,357,015**	10,074,906

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED APRIL 30, 2017 AND 2016
(Expressed in Canadian Dollars)

	Issued Capital					
	Shares Note 5(b)	**Amount**	**Subscriptions Received**	**Contributed Surplus**	**Deficit**	**Total**
		$		**$**	**$**	**$**
Balance, October 31, 2015	**6,950,239**	**17,722,547**	**-**	**1,744,517**	**(15,617,013)**	**3,850,051**
Shares issued for private placement	5,005,000	250,250	-	-	-	250,250
Finders' fee on private placement		(5,075)	-	-	-	(5,075)
Comprehensive loss	-	-	-	-	(147,510)	(147,510)
Balance, April 30, 2016	**6,950,239**	**17,967,722**	**-**	**1,744,517**	**(15,764,523)**	**3,947,716**
Balance, October 31, 2016	**13,137,570**	**18,141,072**	**165,450**	**1,842,517**	**(16,003,399)**	**4,145,640**
Shares issued for Private Placement	4,300,000	984,800	(165,450)	-	-	819,350
Finders' fee paid	-	(32,926)	-	-	-	(32,926)
Finders' warrants	-	(23,832)	-	23,832	-	-
Comprehensive loss	-	-	-	-	(123,789)	(123,789)
Balance, April 30, 2017	**17,437,570**	**19,069,113**	**-**	**1,866,349**	**(16,127,188)**	**4,808,274**

On February 18, 2016, the Company enacted a consolidation of its common shares on the basis of ten pre-consolidation shares for one post-consolidation share. All current and comparative references to the number of shares, warrants, options, weighted average number of common shares and loss per share have been retroactively adjusted to reflect the share consolidation. See Note 10.

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED APRIL 30, 2017 AND 2016
(Expressed in Canadian Dollars)

For the	Three Months Ended April 30, 2017	Three Months Ended April 30, 2016	Six Months Ended April 30, 2017	Six Months Ended April 30, 2016
Cash provided by (used for)				
Operating activities				
Net loss for the period	$ **(107,756)**	$ (90,212)	$ **(123,789)**	$ (147,510)
Items not involving cash:				
Share-based compensation of Agents warrants	**11,410**	-	**23,832**	-
Unrealized (loss) gain on marketable securities	**206**	(322)	**(142)**	(374)
Net change in non-cash working capital	**(96,140)**	(90,534)	**(100,099)**	(147,884)
Accounts receivable	**(5,484)**	(3,854)	**(8,817)**	(1,408)
Prepaid expenses	**(3,899)**	7,278	**11,587**	11,232
Accounts payable	**(67,326)**	(102,473)	**(152,060)**	(23,787)
	(172,849)	(189,583)	**(249,389)**	(161,847)
Investing activities				
Expenditures on exploration and evaluation assets	**(68,683)**	(3,813)	**(97,423)**	(30,572)
Financing activities				
Shares issued for cash, net of costs	**312,708**	245,175	**928,041**	245,175
Share subscriptions converted to shares	**-**	-	**(165,450)**	-
	312,708	245,175	**762,591**	245,175
Net increase (decrease) in cash	**71,176**	51,779	**415,779**	52,756
Cash, beginning of period	**541,333**	6,558	**196,730**	5,581
Cash, end of period	**$ 612,509**	$ 58,337	$ **612,509**	**$** 58,337

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Grande Portage Resources Ltd. (the "Company") was incorporated under the Business Corporations Act of British Columbia. The Company is an exploration stage public company whose principal business activities are the exploration for and development of natural resource properties, namely gold in Alaska. The Company's shares are listed for trading on the TSX Venture Exchange under the symbol GPG.

The address of the Company's corporate office and principal place of business is #501 - 595 Howe Street, Vancouver, British Columbia, V6C 2T5.

The Company is in the process of exploring its exploration and evaluation assets and has not yet determined whether they contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

The Company incurred a net loss of $123,789 (2016 - $147,510) for the six months ended April 30, 2017 and has an accumulated deficit of $16,127,188 which has been funded primarily by the issuance of equity. The Company's ability to continue as a going concern is dependent upon the generation of profits from exploration and evaluation assets, obtaining additional financing or maintaining continued support from its shareholders and creditors. These factors raise significant doubt on the Company's ability to continue as a going concern. While the Company has been successful in obtaining financing in the past, there is no assurance that such financing will continue to be available or be available on favourable terms in the future. An inability to raise additional financing may impact the future assessment of the Company as a going concern. In the event that additional financial support is not received or operating profits are not generated, the carrying values of the Company's assets may be adversely affected.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements. In assessing the appropriateness of the going concern assumption management is required to consider all available information about the future, which is at least, but not limited to, twelve months from the year end date. Management has carried out an assessment of the going concern assumption and has concluded that it is appropriate that the consolidated financial statements are prepared on a going concern basis. Accordingly, these consolidated financial statements do not reflect any adjustments to the carrying value of assets and liabilities, or the impact on the consolidated statements of loss and consolidated statements of financial position classifications that would be necessary were the going concern assumption not appropriate.

2. BASIS OF PREPARATION

a) Statement of Compliance

These unaudited condensed interim consolidated interim financial statements have been prepared in accordance the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interim Financial Reporting IAS 34.

These unaudited condensed interim consolidated financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the Company's October 31, 2016 audited annual consolidated financial statements.

These unaudited condensed interim consolidated financial statements were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on June 26, 2017.

2. BASIS OF PREPARATION (continued)

b) Consolidation and Measurement

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, GPG Alaska Resources Inc. All material inter-company balances and transactions have been eliminated upon consolidation.

These condensed interim consolidated financial statements are prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 4. The consolidated financial statements are presented in Canadian dollars unless otherwise noted. The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

3. APPLICATION OF NEW ACCOUNTING STANDARDS

Accounting standards adopted in the current period

During the six months ended April 30, 2017, there were no new standards, interpretations or amendments to existing standards which the Company was required to adopt.

New accounting standards issued but not yet effective
Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following standards became effective November 1, 2016:

IAS 1 – *Presentation of Financial Statements* - In December 2014, the IASB issued an amendment to address perceived impediments to preparers exercising their judgment in presenting their financial reports. The changes clarify that materiality considerations apply to all parts of the financial statements and the aggregation and disaggregation of line items within the financial statements.

IAS 16 – *Property, Plant and Equipment* and IAS 38 – *Intangible Assets* - In May 2014, the IASB issued amendments to IAS 16 and IAS 38. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

The following standards will be effective for annual periods beginning on or after November 1, 2018:

IFRS 9 – *Financial Instruments* - In November 2009, as part of the IASB project to replace IAS 39 *Financial Instruments: Recognition and Measurement*, the IASB issued the first phase of IFRS 9 *Financial Instruments*, that introduce new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities.

3. APPLICATION OF NEW ACCOUNTING STANDARDS (continued)

New accounting standards issued but not yet effective (continued)

IFRS 15 – *Revenue from Contracts with Customers* - In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

The extent of the impact of adoption of these standards and interpretations on the consolidated financial statements of the Company has not been determined.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and highly liquid market investments with original terms of maturity of less than ninety days at time of acquisition, or which are redeemable at the option of the Company.

b) Exploration and Evaluation Assets

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

All exploration and evaluation costs incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized as exploration and evaluation assets and are classified as intangible assets. Such expenditures include, but are not limited to, exploration license expenditures, leasehold property acquisition costs, evaluation costs including drilling costs directly attributable to a property, and directly attributable general and administrative costs including share-based payments to geologists. General exploration costs not related to specific exploration and evaluation property are expensed as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

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 are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Recorded costs of mineral properties and deferred exploration costs are not intended to reflect present or future values of resource properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Exploration and evaluation assets are tested for impairment and no amortization is taken during the exploration and evaluation phase.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, capitalized costs of the related property are reclassified as mining assets. Upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Exploration and Evaluation Assets (continued)

Exploration costs renounced due to flow-through share subscription agreements remain capitalized, however, for corporate income tax purposes, the Company has no right to claim these costs as tax deductible expenses. The Company's entitlement to mineral exploration tax credits are accounted for on an accrual basis to reduce the exploration costs.

i) Impairment

Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present; the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned or budgeted, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications that in an area with development likely to proceed the carrying amount is unlikely to be recovered in full be development or sale. The related property costs are written down to management's estimate of their net recoverable amount.

The recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation or alternatively the sale of the respective areas of interest.

ii) Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or on-going production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset.

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arises during production, are charged against operating profit. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation.

c) Equipment

Equipment is recorded at cost less accumulated amortization and impairment.

Amortization on additions during the year is calculated at one-half of the annual rate. Useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than the estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Equipment (continued)

Where an item of equipment comprises significant components with different useful lives, the components are accounted for as separate items of equipment. Subsequent costs to replace parts of an item of equipment are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and the cost of the item can be measured reliably.

d) Income Taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years.

Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting not taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

e) Basic and Diluted Loss per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings/loss per share does not adjust the loss attributable to common shareholders or the weight average number of common shares outstanding when the effect is anti-dilutive.

f) Share-Based Payment Transactions

The Company grants share options to acquire common shares of the Company to directors, officers, employees and consultants. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period for employees using the graded method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured, the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes option pricing model.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Share-based Payment Transactions (continued)

For both employees and non-employees, the fair value of share-based payments is recognized as either an expense or as mineral property interests with a corresponding increase in option reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in capital stock and the related share-based payment in option reserves is transferred to capital stock.

g) Investment Income

Investment income consists of dividends and interest. Interest income derived from cash and cash equivalents and short-term investments is recognized on an accrual basis as earned at the stated rate of interest.

h) Government Assistance

Mining exploration tax credits for certain exploration expenditures incurred are treated as a reduction of the exploration and development costs of the respective mineral property.

i) Flow-Through Shares

Resource expenditures for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. At the time flow-through shares are issued, there may be a potential premium paid on the flow-through shares calculated based on the share issuance price and the market price at the time of closing. A liability is recognized for the premium on the flow-through shares and is subsequently reversed and recorded as other income or deferred tax expense as the Company incurs qualifying Canadian exploration expenses.

In instances where the Company has issued flow-through shares by way of a unit offering, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve first based on the fair value of the warrant component on grant date using the Black-Scholes option pricing model. Any remaining residual value is then recognized as a liability for the premium on the flow-through shares.

j) Share Issuance Cost

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to expenses.

k) Marketable Securities

Investments in publicly traded companies listed on an active stock exchange are recorded at fair value based upon the closing bid price at the year end date. If an active market does not exist, the investments are recorded at fair value using a valuation techniques based upon management’s estimates which consider reliable and observable market inputs. The amounts at which investments in publicly traded companies could be disposed of may differ from fair value as a result of a number of factors including, but not limited to, premiums paid for large blocks of shares or discounts due to a lack of liquidity.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Financial Instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash and cash equivalents, marketable securities and accounts payable. The Company does not use any derivative or hedging instruments. Transaction costs related to financial instruments other than at FVTPL are capitalized as part of the cost of the financial instrument.

At initial recognition, management has classified financial assets and liabilities as follows:

i) Financial assets

The Company has classified its cash and cash equivalents and marketable securities at FVTPL. A financial instrument is classified at FVTPL if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at FVTPL are measured at fair value and changes therein are recognized in income.

ii) Loans and receivables

These assets are financial assets with fixed or determinable payments that are not quoted in an active market. These assets are recognized initially at fair value plus any directly attributable transaction costs, and are subsequently measured at amortized cost using the effective interest method less any impairment losses.

iii) Financial liabilities

The Company has classified its accounts payable as other financial liabilities. Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost using the effective interest method. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method. Other financial liabilities are classified as current or non-current based on their maturity date.

The Company derecognizes a financial liability when it its contractual obligations are discharged, cancelled or expire.

iv) Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

n) Foreign Currency Translation

The functional currency of both the Company and its subsidiary, being the currency of the primary economic environment in which the Company operates, is the Canadian dollar. Foreign denominated monetary assets and liabilities are translated at the year-end rates of exchange. Non-monetary items are translated using the exchange rates prevailing at the date of the transaction. Revenues and expenses are translated using average rates of exchange during the year. Exchange gains or losses arising from currency translation are recognized in the consolidated statement of comprehensive loss.

o) Assets Held for Sale

Properties are classified as held for sale when the asset or disposal group is available for sale in present condition, and the sale is highly probable. A sale is highly probable if management is committed to a plan to sell, is actively locating a buyer at a sale price that is reasonable in relation to the current fair value of the asset or disposal group, and the sale is expected to be completed within a one-year period. Assets held for sale are stated at the lower of their carrying amount and fair value less costs to sell. Assets held for sale are classified as current.

p) Use of Estimates and Judgements

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

p) Use of Estimates and Judgements (continued)

i) Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether indicators of impairment exist, considering estimates and assumptions around the reserves, prices and future costs required to develop and decommission those reserves. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the carrying amount exceeds the recoverable amount, the amount capitalized is written down to the recoverable amount in the profit or loss in the period the new information becomes available.

ii) Estimated reclamation provisions

The Company's provision for decommissioning liabilities represents management's best estimate of the present value of the future cash outflows required to settle estimated reclamation and closure costs at the end of mine's life. The provision reflects estimates of future costs, inflation, movements in foreign exchange rates and assumptions of risks associated with the future cash outflows, and the applicable risk-free interest rates for discounting the future cash outflows. Changes in the above factors can result in a change to the provision recognized by the Company.

Changes to reclamation and closure cost obligations are recorded with a corresponding change to the carrying amounts of related mining properties. Adjustments to the carrying amounts of related mining properties can result in a change to future depletion expense.

iii) Share-based payment transactions

Management uses the Black-Scholes pricing model to determine the fair value of stock options and standalone share purchase warrants issued. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options and warrants, future risk-free interest rates and the dividend yield of the Company's common shares.

iv) Impairment of exploration and evaluation assets

Management considers both external and internal sources of information in assessing whether there are any indications that the Company's exploration and evaluation assets are impaired. External sources of information management considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its mining interests. Internal sources of information management consider include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of economic performance of the assets.

In determining the recoverable amounts of the Company's exploration properties, management makes estimates of the discounted future pre-tax cash flows expected to be derived from the Company's exploration properties, and the appropriate discount rate.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

p) Use of estimates and judgements (continued)

v) Income taxes

Management exercises judgment to determine the extent to which deferred tax assets are recoverable, and can therefore be recognized in the consolidated statements of financial position and consolidated comprehensive income or loss.

vi) Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgement. The management monitor future cash requirements to assess the Company's ability to meet these future funding requirements. Further information regarding going concern is outlined in Note 1.

vii) Impairment of equipment

Management considers both external and internal sources of information in assessing whether there are any indications that the Company's equipment is impaired. External sources of information management considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its equipment. Internal sources of information management consider include the manner in which the equipment is being used or is expected to be used and indications of economic performance of the equipment.

5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's financial instruments are categorized in a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) 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); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash and cash equivalents, marketable securities and accounts payable.

The fair value of cash and cash equivalents and marketable securities are determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. As at April 30, 2017, the Company believes that the carrying values of accounts payable approximate their fair values because of their nature and relatively short maturity dates or durations.

5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Assets measured at fair value on a recurring basis were presented on the Company's consolidated statements of financial position as of April 30, 2017, as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1) $	**Significant Other Observable Inputs (Level 2) $**	**Significant Unobservable Inputs (Level 3) $**	**April 30, 2017 $**
Financial Assets:				
Cash and cash equivalents	612,509	–	–	612,509
Marketable securities	1,695	–	–	1,695

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists with respect to the Company's cash and cash equivalents and marketable securities as all are placed with two major Canadian financial institutions. The Company is not exposed to significant credit risk on its cash and cash equivalents and marketable securities as all have been placed with major financial institutions.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. At April 30, 2017, the Company had working capital of $384,150 (October 31, 2016 – Deficiency of $181,061). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. As at April 30, 2017, the Company has adequate working capital to discharge its existing financial obligations.

c) Interest Rate Risk

The Company is not subject to any significant interest rate risk. In management's opinion, the Company's interest rate risk is minimal as its cash equivalents may be redeemed upon demand without significant penalty.

d) Foreign Currency Risk

The Company's currency risk exposures arise from transactions denominated in foreign currencies. The Company's foreign exchange risk arises primarily with respect to the United States dollars ("USD"). The Company incurs exploration expenditures denominated in the USD. Fluctuations in the exchange rates between United States dollars and Canadian dollars could have a material effect on the Company's business, financial condition and results of options. The result of sensitivity analysis conducted by the Company shows an increase (decrease) of 10% in the foreign exchange rates between USD and Canadian Dollar could result in an increase (decrease) of the Company's net assets by approximately $26,128 (2016 - $4,200). The Company does not engage in any hedging activity.

5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

e) Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities may be subject to risks associated with fluctuations in the market price of commodities. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

f) Market Risk

The Company's financial instruments include marketable securities which are publicly traded and therefore subject to the risks related to the fluctuation in market prices. The Company closely monitors market values to determine the most appropriate course of action.

6. RECLAMATION BONDS

The Company placed Guaranteed Interest Certificates ("GICs") in trust as reclamation deposits pursuant to a condition of receiving consent from a government agency to explore its resource property interests. As at April 30, 2017, the Company held GICs totaling $Nil (2016 - $15,000). During the year ended October 31, 2016, the Company redeemed $15,000 of GICs by fulfilling its asset retirement obligations on its mineral properties for which the GICs were placed in trust as reclamation deposits.

7. MARKETABLE SECURITIES

At April 30, 2017:

Investees	Shares	Cost	Fair Value
Public Companies:		**$**	**$**
Quaterra Resources Inc.	3,000	2,118	195
Canabo Medical Inc (formerly Four River Ventures)	1,875	22,500	1,500
Total		24,618	1,695

At October 31, 2016:

Investees	Shares	Cost	Fair Value
		$	**$**
Public Companies:			
Quaterra Resources Inc.	3,000	2,118	240
Canabo Medical Inc (formerly Four River Ventures)	1,875	22,500	1,313
Total		24,618	1,553

Marketable securities have been recorded at their fair value as of April 30, 2017, in accordance with the Company's policy described in Note 4(k). The Company did not sell any of its marketable securities during the six months ended April 30, 2017.

8. EXPLORATION AND EVALUATION ASSETS

	Herbert Glacier
	$
Balance, October 31, 2015	4,082,207
Deferred exploration costs:	
Acquisition costs	26,460
Claim maintenance fees	299
Total additions, net of recoveries	26,759
Balance, April 30, 2016	4,108,966
Balance, October 31, 2016	4,326,701
Acquisition costs:	
Shares issued	-
Cash payments and other	26,860
	26,860
Deferred exploration costs:	
Drilling advances	53,781
Field expenses	473
Geological fees	150
Legal fees	13,188
Warehouse rental	2,971
Total additions	97,423
Balance, April 30, 2017	**4,424,124**

a) Merry Widow Property

Pursuant to an option agreement dated March 25, 2004, the Company acquired an undivided 100% legal and beneficial interest in certain Crown granted mineral claims situated in the Nanaimo Mining Division of British Columbia, by payment of $75,000 and issuance of 45,000 common shares of the Company. The investment in the Merry Widow Property was subject to a 2% net smelter return, with a minimum advance payment of $16,000 due each calendar year following the year the option was exercised. The Company had the option to purchase 100% of the net smelter return for $750,000.

During the year ended October 31, 2014, the Company decided not to proceed with any further exploration work and as a result all previous recorded exploration and evaluation costs were written off.

During the six-month period ended April 30, 2017, the Company transferred the Crown granted mineral claims relating to the Merry Widow Property to a third party.

8. EXPLORATION AND EVALUATION ASSETS (continued)

b) Herbert Gold Project

Pursuant to an agreement dated June 16, 2010, as amended on June 12, 2012, (the "Option Agreement") with Quaterra Alaska, Inc. ("Quaterra"), the Company was granted and has exercised an option to acquire a 65% interest in a mining lease dated November 1, 2007 (the "Mining Lease") for the Herbert Glacier gold property, consisting of 84 mining claims, located 20 miles north of Juneau, Alaska. The Company was required to incur at least USD$1,250,000 (incurred) under the Option Agreement in exploration expenditures on the property to acquire its 65% interest.

During the year ended October 31, 2016, the Company entered into a purchase agreement with Quaterra to acquire the remaining 35% interest in the Herbert Glacier Project in exchange for the issuance of 1,182,331 common shares (issued) on a non-diluted basis, equal to 9% of the Company's outstanding common shares and a cash payment of $250,000 USD (due within 90 days of the earlier of: the delivery of a favorable feasibility report on the Herber Glacier Project; or change of control of the Company; or sale of the Herbert Glacier Project). The 1,182,331 common shares issued to Quaterra are currently being held by the Company pending the successful registration of the assignment of the remaining 35% interest to the Company.

During the current reporting period, Quaterra and Grande Portage completed the Assignment and Assumption agreements transferring the remaining 35% interest to Grande Portage and the Company has released the 1,182,331 shares to Quaterra.

The Herbert Glacier Project is subject to a 5% net smelter returns royalty reserved to an underlying lessor, plus minimum annual advance royalties of $20,000 USD due November 1, 2017, increasing to $30,000 USD in subsequent years. All advance royalties will be credited towards any net smelter returns royalty paid upon the commencement of commercial production.

Realization of assets

The investment in and expenditures on exploration and exploration assets comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

8. EXPLORATION AND EVALUATION ASSETS (continued)

Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its property interests and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former property interests that may result in material liability to the Company.

9. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value.

b) Issued

As at April 30, 2017, there were 19,702,901 common shares issued and outstanding (October 31, 2016: 13,137,568).

(i) On March 1, 2017, the Company closed its previously announced non-brokered private placement financing.

The Company raised gross proceeds of $339,800 through the sale of 2,265,333 Units. Each Unit consists of one common share in the capital of the Company (each a "Common Share") and one-half (1/2) common share purchase warrant (a "Warrant"). Each whole Warrant will be exercisable at $0.25 to purchase an additional common share (each a "Warrant Share") for a period of 18 months following the Closing Date. The Company will issue 1,132,667 whole common share purchase warrants as part of the Units.

The Warrant will also include an acceleration clause whereby if the trading price of the Issuer's shares on the TSX Venture Exchange for 10 consecutive trading days (the "Premium Trading Days") exceeds $0.50 per share during the exercise period the expiry time of the warrants shall be accelerated, at the option of the Company, such that the expiry time will be 30 calendar days. This 30-day period will commence seven (7) calendar days after the tenth Premium Trading Day.

The Company paid a total of $15,208 in finder's fees and has issued 101,383 broker warrants associated with the closing. Proceeds from the financing will be used to advance exploration activities at the Company's Herbert Gold property located in S.E. Alaska as well as for general working capital.

(ii) On December 6, 2016, the Company completed a non-brokered private placement with the issuance of 4,300,000 Units for gross proceeds of $645,000. Each Unit consists of one common share and one share purchase warrant exercisable for a period of 18 months at $0.25 per whole warrant.

9. SHARE CAPITAL (continued)

(iii) On April 13, 2016, the Company completed a non-brokered private placement with the issuance of 5,005,000 Units for gross proceeds of $250,250. Each Unit consists of one common share and one share purchase warrant exercisable for a period of 24 months at $0.075 per whole warrant.

(iv) On August 3, 2016, the Company issued 1,182,331 common shares for the Herbert Glacier property. The details of the transaction are described in Note 8(b).

(v) On February 19, 2016, the Company consolidated its outstanding common shares on the basis of one post-consolidated share for ten pre-consolidated shares held, rounded to the nearest share. The total outstanding common shares of 69,502,392 were consolidated to 6,950,239. The outstanding shares, weighted average outstanding shares and loss per share information have been retrospectively adjusted to reflect this change. In addition, all share issuances, options and warrant transactions have been retrospectively adjusted to reflect the changes.

c) Stock options

Effective October 31, 2012, the Company adopted a revised rolling stock option plan under whereby a maximum of 10% of the issued shares will be reserved for issuance under the plan. The stock option plan provides for the granting of stock options to directors, officers, employees, consultants, consulting company or management company employees, and eligible charitable organizations. Shares issuable under the plan to insiders as a group, or to any one optionee, consultant, and investor relation person are restricted up to a limit of 10%, 5%, 2% and 2%, respectively, of the Company's total number of issued and outstanding shares per year. An option shall be granted as fully vested, unless a vesting schedule is imposed by the board as a condition of the grant date and provided that if the option is being granted to an eligible person who is providing investor relating activities to the Company, then the option must vest in stages over at least a one-year period and not more than ¼ of such options may be vested in any three-month period.

Details of the status of the Company's stock options as at April 30, 2017 are as follows:

	Number of Options	Weighted-Average Exercise Price
Balance, October 31, 2014	450,000	$ 1.70
Expired	(32,500)	1.90
Balance, October 31, 2015	417,500	1.60
Expired	(65,000)	1.50
Granted	800,000	
Balance, October 31, 2016	1,152,500	$ 0.61
Expired	(130,000)	1.90
Balance, April 30, 2017	**1,022,500**	**$ 0.45**

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for stock options granted to employees. Stock options granted to non-employee are valued using the Black-Scholes Option Pricing Model as the fair values of services received were not reliably measurable.

9. SHARE CAPITAL (continued)

c) Stock options (continued)

The fair value of the options granted was calculated using the following weighted average assumptions:

	2017	2016
Expected life (years)	N/A	5.00
Risk-free interest rate	N/A	0.65%
Expected annualized volatility	N/A	151%
Dividend yield	N/A	N/A
Stock price at grant date	N/A	$0.13
Exercise price	N/A	$0.15
Weighted average grant date fair value	N/A	$0.12

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

As at April 30, 2017, the following stock options were outstanding and exercisable:

Outstanding Number of Options	Expiry Date	Exercise Price
		$
180,000	June 19, 2017	1.50
5,000	September 20, 2017	1.50
37,500	October 29, 2017	1.50
800,000	July 13, 2021	0.15
1,022,500		

The weighted average remaining contractual life of stock options outstanding at April 30, 2017 is 4.25 years (2016 – 1.17 years).

d) Warrants

The following table summarizes the continuity of the Company's warrants:

	Number of Warrants	Weighted-Average Exercise Price
Balance, October 31, 2016	5,106,500	$0.075
Granted	2,150,000	$0.25
Granted – Agents' Warrants	112,455	$0.25
Granted	1,132,667	$0.25
Granted – Agents' Warrants	101,383	$0.25
Balance, April 30, 2017	**8,603,005**	**$0.15**

The warrants granted during the six-month period ended April 30, 2017, expire on June 6, 2018 and September 2, 2018 respectively, and have a weighted average remaining contractual life of 1.5 years. Included in the warrants granted during the year ended October 31, 2016 are 101,500 agent warrants. The warrants granted expire on April 13, 2018 and have a weighted average remaining contractual life of 1.00 years.

9. SHARE CAPITAL (continued)

d) Warrants (continued)

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for agent warrants. The fair value of the finder warrants grant was calculated using the following weighted average assumptions:

	2017	2016
Expected life (years)	1.5	2.00
Risk-free interest rate	0.70%	0.56%
Expected annualized volatility	187%	167%
Dividend yield	N/A	N/A
Stock price at grant date	$0.16	$0.05
Exercise price	$0.25	$0.075
Weighted average grant date fair value	$0.11	$0.04

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

10. RELATED PARTY TRANSACTIONS AND KEY PERSONNEL COMPENSATION

Included in accounts payable at April 30, 2017 is $203,828 (2016 - $212,182) owing for services to companies controlled by directors and officers of the Company. These amounts are unsecured, non-interest bearing, and are due on demand.

During the six months ended April 30, 2017, the Company incurred the following related party transactions:

a) $21,210 (2016 - $8,830) in legal fees to a law firm of which a principal shareholder is a director of the Company;

b) The Company has identified its directors and senior officers as its key management personnel. No post-employment benefits, other long-terms benefits and termination benefits were made during the six months ended April 30, 2017 and 2016. Short-term key management compensation consists of the following for the six months ended April 30, 2017 and 2016:

	2017	2016
	$	$
Accounting fees	15,000	12,000
Management fees	84,300	81,000

During the six months ended April 30, 2017, the Company entered into management fee agreements for the term of two years with a Director, the President, and the CFO of the Company ("Contractors") in the amounts of annual compensation of $69,900, $99,900, and $30,000 per annum, respectively (see Note 14).

11. CAPITAL MANAGEMENT

The Company defines capital as all components of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. 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 Company is not subject to any externally imposed capital requirements.

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.

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 have been no changes to the Company's approach to capital management during the six months ended April 30, 2017.

12. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition and exploration of resource properties. The Company operates in both Canada and the U.S.A. The Company's exploration and evaluation assets in geographic locations are as follows:

	2017	2016
	$	$
U.S.A.	4,424,124	4,112,799

13. COMMITMENT

During the six months ended April 30, 2017, the Company entered into management fee agreements with a Director, the President, and the CFO of the Company (see Note 11). The agreements can be terminated by the Company upon providing twelve months of notice, based on the mutual agreement or for just cause. In case of the absence of just cause of or the mutual agreement, the Company is required to pay a full twelve months of additional compensation upon termination.

14. SUBSEQUENT EVENTS

On June 23, 2017, the Company closed its previously announced (June 19, 2017) non-brokered private placement financing.

The Company raised gross proceeds of $190,000 through the sale of 1,266,666 Units. Each Unit consists of one common share in the capital of the Company (each a "Common Share") and one-half (1/2) common share purchase warrant (a "Warrant"). Each whole Warrant will be exercisable at $0.25 to purchase an additional common share (each a "Warrant Share") for a period of 18 months following the Closing Date. The Company will issue 633,333 whole common share purchase warrants as part of the Units.

The Company wishes to confirm that Insiders subscribed for 166,666 Units of the financing.

The Warrant will also include an acceleration clause whereby if the trading price of the Issuer's shares on the TSX Venture Exchange for 10 consecutive trading days (the "Premium Trading Days") exceeds $0.50 per share during the exercise period the expiry time of the warrants shall be accelerated, at the option of the Company, such that the expiry time will be 30 calendar days. This 30-day period will commence seven (7) calendar days after the tenth Premium Trading Day.

The Company paid a total of $12,000 in finder's fees and has issued 80,000 broker warrants associated with the closing. Proceeds from the Offering will be used to advance exploration activities at the Company’s Herbert Gold property located in S.E. Alaska as well as for general working capital.