Victoria
GOLD CORP

(an exploration and development stage company)

Condensed Consolidated Interim Financial Statements

November 30, 2017 and 2016

(Unaudited)
(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The accompanying condensed consolidated interim financial statements and all other financial information included in this report are the responsibility of management. The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Financial statements include certain amounts based on estimates and judgments. When alternative methods exist, management has chosen those it deems most appropriate in the circumstances to ensure that the condensed consolidated financial statements are presented fairly, in all material respects.

Management maintains appropriate systems of internal control, to give reasonable assurance that its assets are safeguarded, and the financial records are properly maintained.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Audit Committee, which is comprised of three Directors, all of whom are non-management and independent, meets with management to review the consolidated financial statements to satisfy itself that management is properly discharging its responsibilities to the Directors, who approve the consolidated financial statements.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial reporting standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "John McConnell"
Director, President and CEO
January 26, 2018

(signed) "Marty Rendall"
CFO
January 26, 2018

See accompanying notes to the condensed consolidated interim financial statements.

Victoria Gold Corp.
Condensed Consolidated Interim Statement of Financial Position

(Unaudited)
(Expressed in Canadian Dollars)

	Notes	November 30, 2017	February 28, 2017
Assets			
Current assets			
Cash and cash equivalents		$ 24,433,306	$ 59,588,197
Marketable securities and warrants	*5*	442,058	576,722
HST and other receivables		1,026,764	358,291
Prepaid expenses and deposits	*6*	4,919,725	213,433
		30,821,853	60,736,643
Non-current assets			
Restricted cash	*8*	10,388,560	1,870,954
Property and equipment	*7*	7,026,511	3,258,545
Resource properties	*8*	161,844,956	123,373,522
Total assets		$ 210,081,880	$ 189,239,664
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities		$ 14,987,686	$ 3,508,120
Deferred premium	*11*	1,907,509	-
		16,895,195	3,508,120
Non-current liabilities			
Asset retirement obligations ("ARO")	*9*	2,374,796	1,104,821
Total liabilities		19,269,991	4,612,941
Shareholders' Equity			
Share capital	*11*	215,992,874	207,603,077
Contributed surplus		22,289,425	21,040,214
Accumulated other comprehensive loss		(2,548,394)	(2,623,512)
Accumulated deficit		(44,922,016)	(41,393,056)
Total shareholders' equity		190,811,889	184,626,723
Total liabilities and equity		$ 210,081,880	$ 189,239,664

See accompanying notes to the condensed consolidated interim financial statements.

Authorized for issue by the Board of Directors on January 26th, 2018 and signed on its behalf. **"T. Sean Harvey"** Director **"Chris Hill"** Director

Victoria Gold Corp.
Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

(Unaudited)
(Expressed in Canadian Dollars)

	Notes	For the three months ended November 30, 2017	For the three months ended November 30, 2016	For the nine month period ended November 30, 2017	For the nine month period ended November 30, 2016
Operating expenses					
Salaries and benefits excluding share-based payments		$ 356,905	$ 305,140	$ 1,298,048	$ 1,074,657
Office and administrative		144,929	145,100	445,611	561,865
Share-based payments	*12*	170,829	75,872	738,479	179,724
Marketing		243,936	169,077	640,782	332,113
Legal and accounting		194,116	82,677	692,382	164,501
Consulting		119,731	46,250	425,324	82,212
Amortization		1,634	1,152	4,079	3,083
Foreign exchange (gain) loss		(411,660)	(152,594)	58,152	57,072
		820,420	672,674	4,302,857	2,455,227
Finance (income) costs					
Unwinding of present value discount: ARO		11,174	5,427	21,743	16,164
Interest and bank charges		4,313	1,178	16,334	4,832
Interest income		(97,615)	(142,424)	(353,713)	(244,347)
Change in fair value of marketable securities		224,356	263,662	104,764	28,697
		142,228	127,843	(210,872)	(194,654)
Loss before taxes		(962,648)	(800,517)	(4,091,985)	(2,260,573)
Current income taxes	*17*	563,025	1,124,909	563,025	1,124,909
Net income (loss)		(399,623)	324,392	(3,528,960)	(1,135,664)
Other Comprehensive income (loss)					
Items that may be reclassified subsequently to profit or loss					
Currency translation adjustment		(49,851)	(115,304)	75,118	23,864
Total items that may be reclassified subsequently to profit or loss		(49,851)	(115,304)	75,118	23,864
Total comprehensive income (loss) for the period		$ (449,474)	$ 209,088	$ (3,453,842)	$ (1,111,800)
Income (loss) per share - basic and diluted	*10*	$ (0.001)	$ 0.001	$ (0.007)	$ (0.003)
Weighted average number of shares					
Basic and diluted		516,765,493	497,657,343	513,967,225	442,347,402

See accompanying notes to the condensed consolidated interim financial statements.

Victoria Gold Corp.
Condensed Consolidated Interim Statement of Changes in Shareholders' Equity
(Unaudited)
(Expressed in Canadian Dollars)

	Notes	Share capital: Number of shares	Share capital: Amount	Contributed surplus	Accumulated other comprehensive loss	Accumulated deficit	Total equity
Balance at March 1, 2016		361,098,109	$ 154,513,979	$ 14,985,513	$ (2,686,430)	$ (40,659,629)	$ 126,153,433
Transactions with owners:							
Proceeds from share issue		134,050,471	60,345,749				60,345,749
Fair values assigned to warrants issued under private placement			(6,620,000)	6,620,000			-
Proceeds from stock options exercised		7,653,333	1,844,900				1,844,900
Fair values allocated upon exercise:							
Stock options			1,049,106	(1,049,106)			-
Share issuance costs			(2,322,192)	(57,292)			(2,379,484)
Share-based payments, expensed				179,724			179,724
Share-based payments, capitalized				18,584			18,584
Premium on flow-through shares			(2,056,151)				(2,056,151)
Total transactions with owners:		141,703,804	52,241,412	5,711,910	-	-	57,953,322
Net loss for the period						(1,135,664)	(1,135,664)
Other comprehensive income/(loss):							
Currency translation adjustment					23,864		23,864
Balance at November 30, 2016	*12*	502,801,913	$ 206,755,391	$ 20,697,423	$ (2,662,566)	$ (41,795,293)	$ 182,994,955
Balance at March 1, 2017		504,301,913	$ 207,603,077	$ 21,040,214	$ (2,623,512)	$ (41,393,056)	$ 184,626,723
Transactions with owners:							
Proceeds from share issue		11,494,253	10,000,000				10,000,000
Proceeds from stock options exercised		1,006,250	223,000				223,000
Fair values allocated upon exercise:							
Stock options			120,820	(120,820)			-
Share issuance costs			(46,515)	-			(46,515)
Share-based payments, expensed				738,479			738,479
Share-based payments, capitalized				631,552			631,552
Premium on flow-through shares			(1,907,508)				(1,907,508)
Total transactions with owners:		12,500,503	8,389,797	1,249,211	-	-	9,639,008
Net loss for the period						(3,528,960)	(3,528,960)
Other comprehensive income/(loss):							
Currency translation adjustment					75,118		75,118
Balance at November 30, 2017	*12*	516,802,416	$ 215,992,874	$ 22,289,425	$ (2,548,394)	$ (44,922,016)	$ 190,811,889

See accompanying notes to the condensed consolidated interim financial statements.

Victoria Gold Corp.
Condensed Consolidated Interim Statement of Cash Flows

(Unaudited)
(Expressed in Canadian Dollars)

	Notes	For the nine month period ended November 30, 2017	2016
Cash flows from operating activities			
Net loss for the period		$ (3,528,960)	$ (1,135,664)
Adjustments for:			
Share-based payments	*12*	738,479	179,724
Income taxes		(594,229)	(1,124,909)
Unwinding of present value discount: ARO	*9*	21,743	16,164
Change in fair value of marketable securities		104,764	28,697
Amortization		4,079	3,083
Net unrealized foreign exchange (gain) loss		483,536	49,111
		(2,770,588)	(1,983,794)
Working capital adjustments:			
(Increase) decrease in HST and other receivables		(668,473)	(194,265)
(Increase) decrease in marketable securities		29,900	(100,000)
(Increase) decrease in prepaid expenses and deposits		(2,871,504)	(36,413)
Increase (decrease) in accounts payables and accrued liabilities		111,799	660,115
		(3,398,278)	329,437
Net cash flows used in operating activities		(6,168,866)	(1,654,357)
Cash flows used in investing activities			
Resource properties	*8*	(26,070,253)	(8,909,934)
Restricted cash		(8,565,705)	(178)
Purchase of property and equipment		(4,352,145)	(509,768)
Net cash flows used in investing activities		(38,988,103)	(9,419,880)
Cash flows from financing activities			
Shares issued for cash, net of issuance cost	*11*	9,953,485	57,966,265
Exercise of warrants and options		223,000	1,844,900
Net cash flows from financing activities		10,176,485	59,811,165
Foreign exchange gain (loss) on cash balances		(174,407)	(3,554)
Net increase (decrease) in cash and cash equivalents		(35,154,891)	48,733,374
Cash and cash equivalents, beginning of the period		59,588,197	13,942,137
Cash and cash equivalents, end of the period		$ 24,433,306	$ 62,675,511

See accompanying notes to the condensed consolidated interim financial statements. Supplementary Cash Flow information is provided in Note 16.

(Unaudited)
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

Victoria Gold Corp. ("Victoria" or "the Company"), a British Columbia company, was incorporated in accordance with the Business Corporations Act (British Columbia) on September 21, 1981. The Company's common shares are listed on the TSX-Venture Exchange (TSX-V).

The Company is engaged in the acquisition, evaluation, exploration and development of mineral properties. To date, the Company has not realized any revenues from its properties and is considered to be an exploration and development stage company. The Company's registered office is located at 80 Richmond St. West, Suite 303, Toronto, Ontario, M5H 2A4, Canada.

The recoverability of the amounts shown for resource properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing and permits to complete the development, and upon future profitable production or proceeds from disposition of these assets.

These condensed consolidated interim financial statements have been prepared using IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due for the foreseeable future. The Company's future is currently dependent upon its ability to successfully complete additional financing arrangements, secure all necessary permits, its ability to fulfil its planned exploration and development programs and upon future profitable production from, or the proceeds from the disposition of, its mineral properties. The Company periodically seeks financing to continue the exploration and development of its resource properties and to meet its future administrative requirements. Although the Company has been successful in raising funds to date, there can be no assurances that the steps management is taking, and will continue to take, will be successful in future reporting periods.

At November 30, 2017, Victoria Gold Corp. ("Victoria" or "the Company") had a working capital surplus of $13,926,658 (compared with a surplus of $57,228,523 at February 28, 2017), an accumulated deficit of $44,922,016 ($41,393,056 at February 28, 2017) and reported a net loss of $3,528,960 (2016 net loss - $1,135,664).

2. BASIS OF PRESENTATION

These unaudited condensed consolidated interim financial statements for the nine months ended November 30, 2017 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended February 28, 2017, which have been prepared in accordance with IFRSs.

These condensed consolidated interim financial statements include the accounts of Victoria and its wholly-owned subsidiaries including:

- Victoria Resources (U.S.) Inc., a Nevada corporation,
- Gateway Gold Corp., a British Columbia corporation,
- Gateway Gold (USA) Corp., a Nevada corporation,
- StrataGold Corporation, a British Columbia corporation,

Gateway Gold Corp. and Gateway Gold (USA) Corp. (together referred to as "Gateway") were acquired by the Company on December 18, 2008.

StrataGold Corporation ("StrataGold") was acquired by the Company on June 4, 2009.

These financial statements were approved by the Board of Directors for issue on January 26, 2018.

(Unaudited)
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed in the presentation of these condensed consolidated interim financial statements are consistent with those of the previous financial year.

The Company has evaluated International Financial Reporting Standard 15, Revenue from contracts with Customers ("IFRS 15") and has concluded that the application of IFRS 15 will not have an impact on its financial statements.

In addition, the Company has started the process of assessing the impact of IFRS 16 - Leases and IFRS 9 - Financial Instruments, but not yet evaluated the full impact of adopting these standards.

IFRS 9 is effective for annual periods beginning on March 1, 2018. Management is in the process of assessing the full impact of IFRS 9. Based on the preliminary assessment, the Company does not anticipate any material impact from the adoption of this standard on its results of operations and financial position.

IFRS 16 is effective from March 1, 2019 though the Company can choose to apply IFRS 16 before that date but only in conjunction with IFRS 15 Revenue from Contracts with Customers.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended February 28, 2017.

5. MARKETABLE SECURITIES

	November 30, 2017	February 28, 2017
Current investments		
Opening balance	$ 576,722	$ 178,344
Additions	-	200,000
Disposals	(29,900)	-
Change in fair value	(104,764)	198,378
Financial assets at fair value through profit and loss	$ 442,058	$ 576,722

(Unaudited)
(Expressed in Canadian Dollars)

6. PREPAID EXPENSES AND DEPOSITS

During the period ended November 30, 2017, the Company placed a mobile mining fleet deposit of $2.8M along with various other construction related items of $1.8M.

7. PROPERTY AND EQUIPMENT

	Other assets	Buildings/ structure	Field & automotive equipment	Leasehold improvements	Total
Cost					
March 1, 2016	$ 592,579	$ 6,063,280	$ 213,650	$ 178,803	$ 7,048,312
Additions	52,460	367,060	17,505	102,881	539,906
Disposals	-	-	-	(178,803)	(178,803)
February 28, 2017	645,039	6,430,340	231,155	102,881	7,409,415
Additions	207,917	3,304,788	795,789	43,651	4,352,145
Disposals	-	-	-	-	-
November 30, 2017	$ 852,956	$ 9,735,128	$ 1,026,944	$ 146,532	$11,761,560
Accumulated amortization					
March 1, 2016	$ 452,828	$ 3,061,659	$ 137,361	$ 113,849	$ 3,765,697
Charge	43,518	423,816	26,548	70,094	563,976
Disposals	-	-	-	(178,803)	(178,803)
February 28, 2017	496,346	3,485,475	163,909	5,140	4,150,870
Charge	96,439	409,602	63,485	14,653	584,179
Disposals	-	-	-	-	-
November 30, 2017	$ 592,785	$ 3,895,077	$ 227,394	$ 19,793	$ 4,735,049
Net book value					
March 1, 2016	$ 139,751	$ 3,001,621	$ 76,289	$ 64,954	$ 3,282,615
February 28, 2017	$ 148,693	$ 2,944,865	$ 67,246	$ 97,741	$ 3,258,545
November 30, 2017	$ 260,171	$ 5,840,051	$ 799,550	$ 126,739	$ 7,026,511

During the period ended November 30, 2017, the Company capitalized amortization related to resource properties of $580,100 ($429,502 – 2016).

(Unaudited)
(Expressed in Canadian Dollars)

8. RESOURCE PROPERTIES

	Santa Fe (Nevada)	Dublin Gulch (Yukon)	Other properties **	Total
Balance February 28, 2017	$ 6,664,497	$ 115,109,320	$ 1,599,705	$ 123,373,522
Acquisition	-	-	(15,000)	(15,000)
Salaries and benefits	46,375	1,751,277	-	1,797,652
Amortization	-	580,100	-	580,100
Office and administration	20,312	1,206,894	-	1,227,206
Land claims and royalties	62,716	56,476	25,840	145,032
Environmental and permitting	114,510	667,810	-	782,320
Government and community relations	-	344,543	-	344,543
Site operations	-	13,020,395	-	13,020,395
Engineering and design	-	7,120,871	-	7,120,871
Assaying	-	861,727	-	861,727
Drilling and indirects	-	4,065,246	-	4,065,246
Other exploration	-	7,467,189	-	7,467,189
Asset retirement obligation adjustment	-	1,260,065	-	1,260,065
Exploration and development costs for the period	243,913	38,402,593	25,840	38,672,346
Currency translation	(185,912)	-	-	(185,912)
Balance November 30, 2017	$ 6,722,498	$ 153,511,913	$ 1,610,545	$ 161,844,956

** Other properties include interests in Donjek, Aurex, CanAlask and Clear Creek in Yukon Territory.

As of November 30, 2017, of the $10.0M raised through the flow-through shares offering (*Note 11*), $3.5 million is remaining to be spent on qualifying expenditures.

As of November 30, 2017, of the $4.7M raised through the flow-through shares offering November 17, 2016, $nil is remaining to be spent on qualifying expenditures.

As of November 30, 2017, restricted cash consists of $1.8M relating to Santa Fe and $8.6M for Dublin Gulch. The Dublin Gulch increase is a result of placing 50% collateral towards the required $17.2M reclamation bond in conjunction with Phase 1 construction activities.

(Unaudited)
(Expressed in Canadian Dollars)

	Santa Fe (Nevada)	Dublin Gulch (Yukon)	Other properties **	Total
Balance February 29, 2016	$ 7,251,971	$ 105,031,450	$ 1,432,087	$ 113,715,508
Acquisition	-	-	-	-
Salaries and benefits	92,827	996,725	-	1,089,552
Amortization	-	559,473	-	559,473
Office and administration	15,991	466,541	-	482,532
Land claims and royalties	67,802	97,005	84,218	249,025
Environmental and permitting	34,645	295,484	-	330,129
Government and community relations	-	300,461	-	300,461
Site operations	-	1,518,846	-	1,518,846
Engineering and design	-	1,808,343	-	1,808,343
Assaying	-	495,464	-	495,464
Drilling and indirects	-	1,805,981	-	1,805,981
Other exploration	-	1,666,087	83,400	1,749,487
Asset retirement obligation adjustment	(650,013)	67,460	-	(582,553)
Exploration and development costs for the year	(438,748)	10,077,870	167,618	9,806,740
Currency translation	(148,726)	-	-	(148,726)
Balance February 28, 2017	$ 6,664,497	$ 115,109,320	$ 1,599,705	$ 123,373,522

** Other properties include interests in Donjek, Aurex, CanAlask and Clear Creek in Yukon Territory.

9. ASSET RETIREMENT OBLIGATIONS

Reclamation and closure costs have been estimated based on the Company's interpretation of current regulatory requirements and measured with the most reliable information available. Management's estimate is determined based on the net present value of estimated future cash expenditures for reclamation and closure activities. Reclamation and closure costs are capitalized into Resource properties dependent on the nature of the asset related to the obligation and amortized over the life of the related asset. Future changes to those regulations and standards, as well as changes resulting from operations may result in actual reclamation costs differing from the estimate.

The Company's asset retirement obligations arise from its obligations to undertake site reclamation and remediation in connection with the Santa Fe and Dublin Gulch properties. As a result of the expanded 2017 exploration campaign and the early works site preparation activities, the ARO was increased during the period ended November 30, 2017. The Company has now prepared the Dublin Gulch reclamation obligation using prescribed third-party contractor rates with a 10% contingency whereas previous estimates were based on internal rates plus 30% for contractor premium and contingency. The estimated costs of reclamation are based on current regulatory requirements and the estimated reclamation costs at the reporting date use the following assumptions:

a) total undiscounted amount of inflation adjusted future reclamation costs was determined to be $2,548,534 for Dublin Gulch and $381,096 for Santa Fe;

b) weighted average risk-free interest rate at 1.9% and a long-term inflation rate of 2.0%; and

(Expressed in Canadian Dollars)

c) expected timing of risk adjusted cash outflows required to settle the obligation will be incurred over the period through 2030 for Dublin Gulch and through 2023 for Santa Fe.

The following is an analysis of the Company's asset retirement obligation:

	November 30, 2017	February 28, 2017
Balance, beginning of period	$ 1,104,821	$ 2,915,110
Unwinding of discount: ARO	21,743	21,580
Currency translation	(11,833)	(66,009)
ARO expenditures incurred	-	(1,183,307)
ARO change due to change in estimates	1,260,065	(582,553)
Balance, end of period	$ 2,374,796	$ 1,104,821

10. LOSS PER SHARE

(a) Basic

Basic earnings (loss) per share is calculated by dividing the net income (loss) attributable to common shareholders by the weighted average number of ordinary shares in issue during the year.

	For the three months ended November 30, 2017	For the three months ended November 30, 2016	For the nine months ended November 30, 2017	For the nine months ended November 30, 2016
Net income (loss)	$ (399,623)	$ 324,392	$ (3,528,960)	$ (1,135,664)
Weighted average number of common shares issued	516,765,493	497,657,343	513,967,225	442,347,402
Basic earnings (loss) per share	$ (0.001)	$ 0.001	$ (0.007)	$ (0.003)

(b) Diluted

	For the three months ended November 30, 2017	For the three months ended November 30, 2016
Net income (loss) attributable to common shareholders	$ (399,623)	$ 324,392
Weighted average number of common shares issued	516,765,493	497,657,343
Adjustment for:		
Stock options	-	25,451,667
Weighted average number of ordinary shares for diluted earnings per share	516,765,493	523,109,010
Diluted earnings (loss) per share	$ (0.001)	$ 0.001

The effect of potential issuances of shares under options would be anti-dilutive for the nine month period ended November 30, 2017, and accordingly, basic and diluted loss per share are the same.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND OTHER EQUITY

Authorized, issued and outstanding common shares
Common shares, no par value, authorized unlimited number of shares, issued and outstanding were 516,802,416 and 502,801,913 shares as at November 30, 2017 and 2016, respectively.

On May 2, 2017, the Company closed a non-brokered private placement flow-through share offering (the "Offering") raising gross proceeds of $10.0 million, representing the issuance of 11,494,253 common shares priced at $0.87 per share. There were no finders' fees for this transaction. Other issuance costs were paid in conjunction with the Offering. The flow-through shares were subject to a four-month hold period.

Deferred premium on flow-through shares
The premium paid for flow-through shares in excess of the market value of the shares without the flow-through features is initially recognized as a liability. The liability is reduced and the reduction of premium liability is recorded as a tax recovery upon filing of appropriate renunciation forms with the Canadian taxation authorities for qualifying expenditures already incurred. As at November 30, 2017, the Company has yet to renounce qualifying exploration expenditures and has recognized a deferred premium liability of $1,907,509 relating to the flow-through shares financing completed on May 2, 2017 (see above).

12. SHARE - BASED PAYMENTS – EMPLOYEE SHARE OPTION PLAN AND WARRANTS

Stock options
The Company has adopted a stock option plan (the "Plan") for its directors, officers, employees and consultants to acquire common shares of the Company at a price determined by the fair market value of the shares at the date of grant. At November 30, 2017, 21,894,824 (17,509,439 as at February 28, 2017) additional stock options were available for grant under the Company's stock option plan.

A summary of the status of the Plan as at November 30, 2017 and as at February 28, 2017, and changes during the periods ended on those dates is presented below:

	November 30, 2017				February 28, 2017			
	Number of stock options		Weighted average exercise price	Fair Value Assigned	Number of stock options		Weighted average exercise price	Fair Value Assigned
Outstanding, beginning of the period	29,541,667	$	0.25	$3,883,389	33,415,000	$	0.20	$3,564,847
Granted	1,190,000	$	0.72	476,714	6,060,000	$	0.56	1,915,464
Exercised	(1,006,250)	$	0.22	(120,820)	(9,153,333)	$	0.26	(1,368,197)
Expired	(60,000)	$	0.40	(14,808)	(780,000)	$	0.48	(228,725)
Forfeited	-	$	-	-	-	$	-	-
Outstanding, end of the period	29,665,417	$	0.27	$4,224,475	29,541,667	$	0.25	$3,883,389

(Expressed in Canadian Dollars)

As at November 30, 2017, the Company had stock options issued to directors, officers, employees and contractors of the Company outstanding as follows:

Date of grant	Number of options outstanding	Number of options exercisable		Exercise price	Expiry date
January 11, 2013	3,530,000	3,530,000	$	0.25	January 11, 2018
January 10, 2014	6,001,667	6,001,667	$	0.12	January 10, 2019
January 14, 2015	6,203,750	6,203,750	$	0.16	January 14, 2018
December 15, 2015	6,680,000	6,680,000	$	0.15	December 15, 2020
August 9, 2016	600,000	450,000	$	0.70	August 9, 2021
January 12, 2017	5,460,000	2,730,000	$	0.55	January 12, 2020
April 24, 2017	1,190,000	595,000	$	0.72	April 24, 2020
	29,665,417	26,190,417			

The fair value of each option is accounted for in the statement of comprehensive loss or capitalized to resource properties over the vesting period of the options, and the related credit is included in contributed surplus.

On April 24, 2017, the Company granted 1,190,000 incentive stock options with an exercise price of $0.72 per option to officers, employees and consultants of the Company. The stock options have a term of three years and expire on April 24, 2020. The fair value of these options, totalling $476,714, will be recognized (expensed and capitalized to resource properties) over the vesting period. The fair value of these options was calculated based on a risk-free annual interest rate of 0.8%, an expected life of 3.0 years, an expected volatility of 84% and a dividend yield rate of nil. This results in an estimated fair value of $0.40 per option at the grant date using the Black-Scholes option-pricing model.

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the above assumptions and a forfeiture rate of 8.86%.

Warrants

The following table summarizes information regarding changes in the Company's warrants outstanding:

	November 30, 2017				February 28, 2017				
	Number of Warrants		Weighted average exercise price	Fair Value	Number of Warrants		Weighted average exercise price		Fair Value
Outstanding, beginning of the period	40,000,000	$	0.40	$ 6,620,000	-	$	-	$	-
Issued	-	$	-	-	40,000,000	$	0.40		6,620,000
Outstanding, end of the period	40,000,000	$	0.40	$ 6,620,000	40,000,000	$	0.40		$6,620,000

(Expressed in Canadian Dollars)

	Number of Warrants	Exercise price	Expiry date
Issued in private placement	40,000,000	$ 0.40	May 10, 2019
	40,000,000		

The fair value of each warrant issues was estimated as of the date of issuance using the Black-Scholes option pricing model with the following assumptions: a risk-free annual interest rate of 0.7%, an expected life of 3 years, an expected volatility of 84% and a dividend yield rate of nil.

13. RELATED PARTIES

Related parties include key management personnel, the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The remuneration of directors and key management of the Company who are not independent for the nine months ended November 30, 2017 and 2016 was as follows:

	2017	2016
Salaries and other short term employment benefits	$ 1,121,314	$ 574,965
Share based compensation	$ 519,265	$ 23,865

The amounts above have been awarded solely to officers of the Company for work performed in their full-time capacity for the Company.

14. COMMITMENTS AND CONTINGENCIES

Operating Leases

At November 30, 2017, the Company has future minimum annual operating lease commitments for vehicles and office premises in: (1) Vancouver, BC, (2) Toronto, Ontario and (3) Whitehorse, Yukon, as follows:

to February 28, 2018	$	139,841
to February 28, 2019		561,652
to February 29, 2020		578,357
to February 28, 2021		486,886
to February 28, 2022 and thereafter		592,693
Total	$	2,359,429

(Unaudited)
(Expressed in Canadian Dollars)

15. SEGMENTED INFORMATION

The Company's principal activity is the exploration and development of mineral properties. The Company reports separately three operating segments, corporate segment and mineral exploration and development in two geographical segments, Canada and the United States. A breakdown of mineral properties by geographic expenditures is disclosed in *Note 8.*

In millions of Cdn $	Canada	USA	Corporate	Total
As at November 30, 2017				
Property and equipment	7.0	-	-	7.0
Resource properties	155.1	6.7	-	161.8
Total Assets	175.0	8.5	26.6	210.1
As at February 28, 2017				
Property and equipment	3.3	-	-	3.3
Resource properties	116.7	6.7	-	123.4
Total Assets	126.2	8.5	54.5	189.2
Period ended November 30, 2017				
Net loss/(income) - Quarter	-	(0.5)	0.9	0.4
Net loss/(income) - YTD	0.4	(0.5)	3.6	3.5
Period ended November 30, 2016				
Net loss/(income) - Quarter	0.2	(1.1)	0.6	(0.3)
Net loss/(income) - YTD	0.4	(1.1)	1.8	1.1

16. SUPPLEMENTARY CASH FLOW INFORMATION

	November 30, 2017	**February 28, 2017**
Non-cash investing and financing activities:		
Accounts payable and accrued liabilities relating to resource property expenditures	**$12,004,076**	$ 310,817
Stock-based compensation, capitalized to resource properties *(Note 12)*	**$ 631,552**	$ 195,593
Income taxes paid	**$ -**	$ -
Interest paid	**$ -**	$ -

17. INCOME TAXES

The income tax benefit recorded in the period of approximately $0.6 million is the result of changes in the estimation of uncertain tax positions in the US.

The Company and management is currently assessing the impact of the new US Tax regulations enacted on December 22, 2017 subsequent to the period ended November 30, 2017 on its US operations.