Condensed Interim Financial Statements of

WALLBRIDGE MINING COMPANY LIMITED

Three and nine months ended September 30, 2018

(Unaudited)

WALLBRIDGE MINING COMPANY LIMITED

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements of Wallbridge Mining Company Limited for the three and nine months ended September 30, 2018

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, such statements must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Wallbridge Mining Company Limited for the three and nine months ended September 30, 2018 with comparative amounts for the three and nine months ended September 30, 2017, have been prepared in accordance with the International Accounting Standard 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board and are the responsibility of the Company's management.

The Company's independent auditors have not performed a review of these interim financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Financial Position
(expressed in Canadian Dollars)

(Unaudited)

		September 30, 2018		December 31, 2017
Assets				
Current assets:				
Cash and cash equivalents	$	6,947,983	$	4,358,706
Restricted cash (note 9(b))		8,828		18,234
Amounts receivable (note 4)		2,500,054		113,059
Derivative asset (note 8)		1,210,700		-
Deposits and prepaid expenses (note 5)		180,403		330,590
Marketable securities		264		264
		10,848,232		4,820,853
Restricted cash (note 16(b))		1,441,105		386,245
Promissory note receivable (note 7)		-		287,633
Investment in Carube Copper Corp. (note 6)		1,154,154		741,586
Exploration and evaluation assets (note 9)		40,116,322		22,589,270
Property and equipment		312,708		281,294
	$	53,872,521	$	29,106,881
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (note 10)	$	10,235,681	$	623,038
Flow-through premium liability (note 12)		144,200		235,600
Deposit from partner (note 9(b))		8,828		18,234
Current portion of provision for closure plan (note 16(b))		102,447		95,680
Current portion of lease payable		2,746		-
Loan payable (note 11)		8,958,088		2,440,426
		19,451,990		3,412,978
Lease payable		10,299		-
Provision for closure plans (note 16(b))		1,120,375		216,008
Deferred tax liability		350,000		290,000
		20,932,664		3,918,986
Equity (note 14):				
Share capital		70,514,182		63,794,074
Warrants		1,993,747		1,519,987
Contributed surplus		8,340,511		8,512,970
Deficit		(47,908,583)		(48,639,136)
Total Equity		32,939,857		25,187,895
Nature of operations and going concern (note 1)				
Commitments and contingencies (notes 12 and 16)				
Subsequent events (note 17)				
	$	53,872,521	$	29,106,881

See accompanying notes to condensed interim financial statements

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Earnings (Loss) and Comprehensive Earnings (Loss)
(expressed in Canadian Dollars)

(Unaudited)

		Three months ended September 30,		Nine months ended September 30,	
		2018	2017	2018	2017
Other expenses and (income):					
General and administrative expenses	$	456,014	187,970	1,180,694	1,026,371
Project evaluation costs		-	15,905	13,819	87,899
Amortization of property and equipment		8,311	9,618	27,223	29,352
Interest income		(5,650)	(8,457)	(18,913)	(38,763)
Loss on marketable securities		-	30	-	18,503
Loss (gain) on disposition of property and equipment		(1,872)	-	(1,872)	3,068
Share of comprehensive loss in Carube Copper Corp (note 6)		74,218	86,960	162,362	170,499
Loss on loss of significant influence of equity investment (note 6)		25,926	-	25,926	-
Reversal of impairment of promissory note and amounts receivable (note 7)		-	-	-	(557,098)
Other income relating to flow-through share premium (note 12)		(54,100)	(111,000)	(91,400)	(277,929)
Loss (gain) on dilution of equity interest in Carube Copper (note 6)		1,132	(249,153)	(307,652)	(249,153)
Impairment of exploration and evaluation assets (note 9)		-	-	44,078	-
Foreign exchange loss (gain) on loan payable (note 11 (b))		(171,318)	-	23,082	-
Gains on forward sales contracts and call options (note 8)		(1,226,300)	-	(1,847,900)	-
		(893,639)	(68,127)	(790,553)	212,749
Earnings (Loss) before income taxes		893,639	68,127	790,553	(212,749)
Deferred tax expense		37,000	70,000	60,000	217,000
Net earnings (loss) and comprehensive loss for the period	$	856,639	(1,873)	730,553	(429,749)

Net earnings (loss) per share (note 15):

Basic	$	0.00	(0.00)	0.00	(0.00)
Diluted		0.00	(0.00)	0.00	(0.00)

WALLBRIDGE MINING COMPANY LIMITED

Statements of Changes in Equity
(expressed in Canadian Dollars)

(Unaudited)

	Number of Shares		Share Capital	Warrants	Contributed Surplus	Deficit		Total
Balance, December 31, 2016	**221,739,013**	**$**	**58,268,292**	**973,506**	**8,312,356**	**(47,409,886)**	**$**	**20,144,268**
Share issuances, net of share issuance costs	17,566,040		1,820,243	36,500	-	-		1,856,743
Flow-through share premiums	-		(353,000)	-	-	-		(353,000)
Agent warrants	-		(5,500)	5,500	-	-		-
Exercise of warrants	5,850,000		538,000	(70,000)	-	-		468,000
Shares issued re restricted share units	652,537		60,302	-	(60,302)	-		-
Exercise of stock options	275,000		18,186	-	(4,436)	-		13,750
Share based compensation	-		-	-	155,724	-		155,724
Deferred share units exercised	1,365,065		77,072	-	(77,072)	-		-
Deferred share units	-		-	-	126,647	-		126,647
Net loss	-		-	-	-	(429,749)		(429,749)
Balance, September 30, 2017	**247,447,655**	**$**	**60,423,595**	**945,506**	**8,452,917**	**(47,839,635)**	**$**	**21,982,383**
Balance, December 31, 2017	**294,394,851**	**$**	**63,794,074**	**1,519,987**	**8,512,970**	**(48,639,136)**	**$**	**25,187,895**
Share issuances, net of share issuance costs	58,518,657		5,114,750	637,230	-	-		5,751,980
Exercise of warrants	4,573,180		743,627	(163,470)	-	-		580,157
Restricted share units shares issued	1,854,870		152,406	-	(152,406)	-		-
Deferred share units exercised	1,264,340		101,147	-	(101,147)	-		-
Exercise of stock options	6,367,500		608,178		(175,940)			432,238
Share based compensation	-		-	-	174,534	-		174,534
Deferred share units	-		-	-	82,500	-		82,500
Net earnings	-		-	-	-	730,553		730,553
Balance, September 30, 2018	**366,973,398**	**$**	**70,514,182**	**1,993,747**	**8,340,511**	**(47,908,583)**	**$**	**32,939,857**

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Cash Flows
(expressed in Canadian Dollars)

(Unaudited)

	Nine months ended September 30, 2018	2017
Cash flows from (used in) operating activities:		
Net earnings (loss) for the period	$ 730,553	$ (429,749)
Adjustments for:		
Deferred tax expense	60,000	217,000
Amortization and depletion of property and equipment	27,223	29,352
Impairment of exploration and evaluation assets	44,078	-
Interest on note receivable	(5,571)	(36,960)
Gain on dilution of equity interest in Carube Copper	(307,652)	(249,153)
Loss on loss of significant influence	25,926	-
Loss (gain) on disposition of property and equipment	(1,872)	3,068
Other income relating to flow-through share premium	(91,400)	(277,929)
Share of comprehensive loss in Carube Copper Corp	162,362	170,499
Reversal of impairment of promissory note and amounts receivable	-	(557,098)
Loss on marketable securities	-	18,503
Share based compensation	174,534	155,724
Deferred stock units	53,750	78,647
Foreign exchange loss	23,070	-
Unrealized gains on derivative contracts	(1,210,700)	-
Cash received for interest on promissory note receivable	-	55,223
Closure plan obligations	(134,241)	(58,357)
Changes in non-cash working capital:		
Amounts receivable	(1,463,802)	47,003
Deposits and prepaid expenses	(36,897)	204,651
Accounts payable and accrued liabilities	1,296,504	(386,339)
	(654,135)	(1,015,915)
Cash flows from (used in) financing activities:		
Issuance of share capital	5,896,306	1,977,104
Share issuance costs	(144,325)	(120,361)
Exercise of stock options	419,738	13,750
Exercise of warrants	592,657	468,000
Proceeds from sale of marketable securities	-	41,529
Payment of loan payable	(2,500,000)	-
Proceeds from bridge loan advances	10,313,280	-
Payments on bridge loan	(1,296,550)	-
Transaction costs relating to the bridge loan	(198,446)	-
Lease payments	(687)	-
	13,081,973	2,380,022
Cash flows from (used in) investing activities:		
Exploration and evaluation assets expenditures	(10,385,312)	(1,916,191)
Exploration and evaluation assets option payments received	215,000	165,000
Deposit for exploration and evaluation activities	66,850	-
Restricted cash	(1,054,860)	-
Proceeds on disposal of assets	8,000	-
Recoveries from Fenelon Gold bulk sample	1,362,795	-
Purchase of shares of Carube Copper	-	(64,000)
Acquisition of equipment	(51,034)	(3,467)
	(9,838,561)	(1,818,658)
Net increase (decrease) in cash and cash equivalents	2,589,277	(454,551)
Cash and cash equivalents, beginning of the period	4,358,706	1,777,119
Cash and cash equivalents, end of the period	$ 6,947,983	$ 1,322,568
Summary of non-cash transactions:		
Settlement of accounts payable with deferred stock units	$ 28,750	$ 86,500
Settlement of promissory note and interest - receipt of shares of Carube Copper	293,204	250,000
Closure Plan expenditures for Fenelon Gold	1,045,375	-
Recoveries from Fenelon Gold bulk sample receivable	923,193	-
Exploration expenditures included in accounts payable and accrued liabilities	8,344,899	49,968

See accompanying notes to condensed interim financial statements.

1. Nature of operations and going concern:

Wallbridge Mining Company Limited ("Wallbridge" or the "Company") is incorporated under the laws of Ontario and is engaged in the acquisition, discovery, development and production of metals focusing on gold, copper, nickel and platinum group metals. The Company completed operations at its first polymetallic mine, producing copper, platinum, palladium, and gold from the Broken Hammer open pit mine in Sudbury, Ontario in October 2015. In October 2016, the Company purchased the Fenelon Gold Property ("Fenelon Gold"). The Company's head office is located at 129 Fielding Road in Lively, Ontario.

These financial statements have been prepared on the going concern basis, which contemplates that the Company will be able to realize its assets and discharge liabilities in the normal course of business. There can be no assurance that the Company will either achieve or maintain profitability in the future.

During the nine months ended September 30, 2018 the Company had net earnings of $730,553, negative cash flow from operations of $654,135, and has a working capital deficiency of $8,603,758. At September 30, 2018, the Company had insufficient cash to fund its planned operations for the next twelve months and meet its commitments (note 12). The expected cash flow upon completion of the Fenelon Gold bulk sample, net of all bulk sample costs and including the financing costs, is expected to cover the planned working capital requirements.

The continuation of the Company as a going concern is dependent on the Company's ability to successfully fund its cash obligations through operations, debt and equity financing, or the sale of assets. Although the Company has been successful in obtaining the necessary financing to date, there can be no assurance that adequate or sufficient financing will be available in the future, or available under terms acceptable to the Company, or the Company will be able to generate sufficient positive cash flow from operations. These circumstances indicate that existence of a material uncertainty which casts significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of the accounting principles applicable to a going concern.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. Should the Company be unable to generate sufficient cash flow from operations, financing activities, or the sale of assets, the carrying value of the Company's assets could be subject to material adjustments and other adjustments may be necessary to these financial statements should such adverse events impair the Company's ability to continue as a going concern.

2. Basis of presentation:

(a) Statement of compliance:

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting. These statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended December 31, 2017.

(b) Judgments and estimates:

Preparing the interim financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these unaudited condensed interim financial statements, significant judgments made by Management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended December 31, 2017.

(c) Functional and presentation currency:

These unaudited condensed interim financial statements are presented in Canadian dollars which is the Company's functional currency.

(expressed in Canadian Dollars)

3. Significant accounting policies:

The accounting policies applied by the Company in these unaudited condensed interim financial statements are the same as those applied to the audited financial statements as at and for the year ended December 31, 2017 with the exception of the following changes in accounting policies resulting from the adoption of new accounting standards: IFRS 9 Financial Instruments ("IFRS 9") and IFRS 15 Revenue from Contracts with Customers ("IFRS 15"):

(a) Change in accounting policies – Financial instruments:

On January 1, 2018, the Company adopted IFRS 9 which replaced IAS 39 - Financial Instruments: Recognition and measurement ("IAS 39") replacing the current classification and measurement criteria for financial asset with fair value through profit and loss ("FVTPL"), fair value through other comprehensive income (loss) ("FVTOCI"), or at amortized cost. IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities or impact the carrying amounts of any of the Company's financial assets on the transition date. The following is the Company's new accounting policy under IFRS 9:

(i) Classification:

The Company classifies its financial instruments in the following categories: fair value through profit and loss ("FVTPL"), fair value through other comprehensive income (loss) ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity investments that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election to designate the asset as FVOCI at initial recognition. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (a derivative or financial liability that is held for trading) or the Company has opted to measure them at FVTPL. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets/liabilities	Classification under IAS 39	Classification under IFRS 9
Cash and cash equivalents	FVTPL	FVTPL
Restricted cash	FVTPL	FVTPL
Amounts receivable	Amortized cost	Amortized cost
Derivative Asset	FVTPL	FVTPL
Marketable securities	FVTPL	FVTPL
Accounts payable	Amortized cost	Amortized cost
Loan payable	Amortized cost	Amortized cost

3. Significant accounting policies (continued):

(ii) Measurement:

Financial assets and liabilities at amortized cost - Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, and subsequently carried at amortized cost, less any impairment.

Financial assets and liabilities at FVTPL - Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of net earnings (loss). Realized and unrealized gains and losses arising from the change in fair value are included in the statement of net earnings (loss) in the period in which they arise.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime of the expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(b) Change in accounting policies – Revenue recognition:

On January 1, 2018, the Company adopted IFRS 15. IFRS 15 was issued to clarify the principles for recognizing revenue. IFRS 15 establishes principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The Company currently does not have operating revenue and therefore, there is no impact on its financial statements.

New accounting Standards not yet adopted:

(a) *IFRS 16, Leases ("IFRS 16")* was issued in January 2016. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard is effective for annual periods beginning on or after January 1, 2019, and permits early adoption, provided IFRS 15, has been applied, or is applied at the same date as IFRS 16. The Company is in the process of determining the impact of IFRS 16 on its financial statements.

(expressed in Canadian Dollars)

3. Significant accounting policies (continued):

(b) *Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)* On June 20, 2016, the IASB issued amendments to IFRS 2 *Share-based Payment*, clarifying how to account for certain types of share-based payment transactions. The amendments apply for annual periods beginning on or after January 1, 2018. As a practical simplification, the amendments can be applied prospectively. Retrospective, or early, application is permitted if information is available without the use of hindsight. The amendments provide requirements on the accounting for:

- the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- share-based payment transactions with a net settlement feature for withholding tax obligations; and
- a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The Company has assessed and there is no impact on its financial statements.

4. Amounts Receivable:

	2018	2017
Harmonized Sales Tax and Quebec Sales Tax	$ 1,052,320	$ 56,756
Recoveries from the Fenelon Gold bulk sample (note 9(a))	923,193	-
Settlement of forward contract (note 8 (a))	415,350	-
Other receivables	109,191	56,303
	$ 2,500,054	$ 113,059

5. Deposits and prepaid expenses:

	September 30, 2018	December 31, 2017
Deposits on contracts	$ 104,400	$ 181,250
Prepaid interest	-	110,234
Investor relations contracts	47,814	25,050
Prepaid expenses	28,189	14,056
	$ 180,403	$ 330,590

An amount of $40,000 for shares issued to a custom milling facility for the Fenelon Gold bulk sample is included in the September 30, 2018 balance (December 31, 2017 - $50,000).

(expressed in Canadian Dollars)

6. Investment in Carube Copper Corp. ("Carube Copper"):

	Number of shares	Amount
Balance, December 31, 2016	10,894,732	$ 378,221
Share of comprehensive losses of Carube Copper, December 1, 2016 to November 30, 2017		(199,788)
Gain on dilution of equity interest in Carube Copper		249,153
Purchase of 800,000 shares of Carube Copper	800,000	64,000
Partial settlement of the promissory note receivable (note 7)	2,173,913	250,000
Balance, December 31, 2017	13,868,645	$ 741,586
Share of comprehensive losses of Carube Copper, December 1, 2017 to August 9, 2018		(162,362)
Gain on dilution of equity interest in Carube Copper		307,652
Settlement of the promissory note receivable (note 7)	5,367,266	293,204
Loss on loss of significant influence		(25,926)
Balance, September 30, 2018	19,235,911	$ 1,154,154

At December 31, 2017, the Company held 13,868,645 shares and 400,000 warrants of Carube Copper. Each warrant entitles the Company to purchase one common share for a price of $0.15 per common share until March 19, 2019. On March 21, 2018, the Company received 5,367,266 shares for settlement of $293,204 being the balance owing of the promissory note and interest receivable (note 7). In 2018, Carube Copper issued shares for debt settlements, share based compensation, and private placements resulting in the dilution of the Company's equity interest in Carube Copper. On August 9, 2018, the Company determined that the Company no longer has significant influence. Upon the loss of significant influence, the investment was recorded at fair value, resulting in a loss of $25,926 reflecting the difference between the fair value and the carrying value at August 9, 2018. The changes in fair value of the investment will be recognized in other comprehensive income or loss for each period going forward. The Company recorded a gain on its dilution of its interest of $306,652 to August 9, 2018 (nine months ended September 30, 2017- $249,153). At September 30, 2018, Wallbridge holds 19,235,911 shares representing 11.3% of the 170,405,402 outstanding shares of Carube Copper (December 31, 2017 – 13,868,645 shares representing 12.7% of 109,503,475 shares).

These shares trade on the TSX Venture Exchange. At August 9, 2018 and September 30, 2018, the closing price per share was $0.06.

(expressed in Canadian Dollars)

7. Promissory Note Receivable from Carube Copper:

	Total Receivable	Impairment
Balance, December 31, 2016	$ 548,246	$ (548,246)
Accrued interest at 12% in 2017	44,610	-
Interest received on March 8, 2017	(55,223)	-
Reversal of impairment	-	548,246
Settlement of promissory note with shares, June 30, 2017	(250,000)	-
Balance, December 31, 2017	$ 287,633	-
Accrued interest at 12%, January 1 to March 8, 2018	5,571	-
Settlement of promissory note with shares, March 21, 2018	(293,204)	-
Balance, September 30, 2018	$ -	$ -

In March 2018, the Company converted the promissory note receivable and accrued interest receivable of $293,204 into 5,367,266 common shares of Carube Copper at a price of $0.0546 per share, being the price equal to the 4-day volume weighted average price.

(expressed in Canadian Dollars)

8. Financial Instruments:

(a) Derivative financial instruments:

As a condition of the Bridge Loan (note 11 (b)) on March 26, 2018, the Company entered into forward sales contracts to sell a portion of the projected gold production from the Fenelon Gold bulk sample to protect against changes in the price of gold within the next year. The timing of the settlement specified in the financial contracts matches the projected delivery of gold. The forward sales contracts are being recognized at fair value with the gain or loss recognized in the statement of earnings (loss). At September 30, 2018, the Company has forward sales contracts outstanding for 7,100 ounces of gold at a price of CAD$1,720 per ounce, and 321 ounces at CAD$1,575 with settlement between October 2018 and December 2018. Included in amounts receivable is $415,350 for 2,600 ounces settled in September 2018 with the cash received in October 2018. In addition, the Company has granted call options outstanding for 2,000 ounces at a CAD$1,780 per ounce strike price with expiry date of October 30 and 3,000 ounces with expiry date of November 30, 2018. The value of the call options were calculated using the Black-Scholes method.

	September 30, 2018	December 31, 2017
Fair value of the forward sales contracts and call options	$1,210,700	$ -

(b) Accounting classifications and fair value of financial instruments:

As at September 30, 2018, all of the Company's derivative financial instruments have been classified as Level 2 financial instruments according to the Company's fair value hierarchy. As at September 30, 2018, the investment in Carube Copper is classified as level 1.

Carrying values for cash and cash equivalents, restricted cash, other amounts receivable, deposit from partner, marketable securities and accounts payable and accrued liabilities approximate fair value due to their short term maturities.

The fair value of the Bridge Loan (note 11 (b)) owing to Auramet is classified at Level 3 at September 30, 2018 - $9,039,800 (December 31, 2017 – $nil). The fair value of the loan (note 11 (a)) owing to William Day Holdings Limited ("William Day") is classified at Level 3 at September 30, 2018 is $nil (December 31, 2017 - $2,500,000). The fair value of debt was primarily determined using discounted cash flows at quoted market rates adjusted for credit risk.

(expressed in Canadian Dollars)

9. Exploration and evaluation assets:

Total exploration and evaluation expenditures are detailed as follows:

	Balance December 31, 2017	Expenditures	Impairment	Recovery/ option payments received	Balance, September 30, 2018
Fenelon Gold Property (a)	$ 6,526,526	19,546,046	-	(1,974,576)	$ 24,097,996
Other Sudbury Projects (c)	8,444,116	1,183	(44,078)	-	8,401,221
North Range and Wisner Properties (b)	3,666,123	24,446	-	(25,969)	3,664,600
Parkin Properties (b)	3,952,505	199,000	-	(199,000)	3,952,505
	$22,589,270	19,770,675	(44,078)	(2,199,545)	$40,116,322

	Balance December 31, 2016	Expenditures	Impairment	Disposition/ option payments received	Balance, December 31, 2017
Fenelon Gold Property (a)	$ 4,130,275	2,396,251	-	-	$ 6,526,526
Other Sudbury Projects (c)	8,416,540	38,976	-	(11,400)	8,444,116
North Range and Wisner Properties (b)	3,944,587	12,424	(228,766)	(62,122)	3,666,123
Parkin Properties (b)	3,952,505	158,000	-	(158,000)	3,952,505
	$20,443,907	2,605,651	(228,766)	(231,522)	$22,589,270

(a) On January 16, 2018, the Company announced that the Board approved to proceed with the 35,000 tonne bulk sample at Fenelon Gold upon receipt of all the required permits. Included in the 2018 expenditures of $19,546,046 are $16,962,144 relating to the underground exploration and bulk sample, closure plan costs of $1,045,375, capitalized interest and transaction costs of $1,171,068, and other exploration costs of $367,459. Recovery from the bulk sample of $1,974,576 is from the sale of gold ounces, net of processing costs of which $923,193 is included in amounts receivable at September 30, 2018.

(b) At September 30, 2018, the Company has $8,828 (December 31, 2017 - $18,234) of restricted cash from the North Range Joint Venture partner, Lonmin Plc. Both parties have agreed that the 2018 exploration joint ventures program will be deferred to the 2019 program which runs from October 1, 2018 to September 30, 2019, and Lonmin will maintain its options under the joint venture agreements while deferring the decision on the 2019 scope of work and budgets until November 30, 2018.

(c) In March 2018, the Company decided to abandon the Barry property (part of the Other Sudbury Projects) and did not make the final option payment of $15,000 which was due on April 1, 2018. The Company recorded an impairment of $44,078, being the total amount capitalized to the Barry property.

(expressed in Canadian Dollars)

10. Accounts payable and accrued liabilities:

	September 30, 2018	December 31, 2017
Accounts payable	$ 9,565,950	$ 235,345
Accrued liabilities	210,791	138,483
Payroll related liabilities	458,940	249,210
	$10,235,681	$ 623,038

Included in accounts payable and accrued liabilities at September 30, 2018 are amounts relating to Fenelon Gold of $9,718,681 (December 31, 2017 - $102,267).

11. Loan payable:

	Effective Interest Rate	September 30, 2018	December 31, 2017
William Day Holdings Limited ("William Day") – Loan payable	18%	$ -	$ 2,440,426
Auramet International LLC ("Auramet") – Bridge Loan	20.75%	8,958,088	-
		$ 8,958,088	$ 2,440,426

(a) On September 27, 2016, the Company entered into a loan agreement with William Day for $2,500,000 to be repaid in 24 months from the advance date with an interest rate of 15% with interest payments to be paid in advance at 6-month intervals. Legal fees of $145,874 related to the debt were amortized over the term of the loan and capitalized to Fenelon Gold. Interest was capitalized to Fenelon Gold.

On April 27, 2018, the Company paid the full amount owing on the loan of $2,500,000 plus $187,500 of the next scheduled payment of interest which was due and payable at the time of prepayment.

11. Loan payable (continued):

(b) On March 26, 2018, the Company obtained a bridge loan of US$8 million with Auramet to finance the 35,000-tonne bulk sample program at its 100%-owned Fenelon Gold property in Quebec ("Bridge Loan"). The Bridge Loan bears interest at an annual rate of 20.75% on the drawn amounts. The loan may be repaid at any time before January 2019, with the balance to be paid before January 15, 2019. Effective October 31, 2018, the Bridge Loan also requires a cash sweep of 50% of the Company's cash and cash equivalents plus accounts receivables, minus cash interest expense, minus accounts payable and accrued expenses. The note is secured by a hypothec over the Fenelon Gold property, a general security agreement, and the assignment of the Fenelon Gold property leases. Transaction costs relating to the loan of $198,446 are amortized over the term of the loan and capitalized to the Fenelon Gold property. Included in these costs are $151,104 paid to Auramet for due diligence, legal fees and other fees.

Proceeds of the Bridge Loan were used to repay the outstanding $2.5 million loan to William Day and to fund working capital.

The Company entered into a mutually agreed price protection plan on the sale of gold at $1,720 for 10,870 ounces for settlement between August and December 2018. In addition, Auramet was granted a call option on 6,000 ounces of gold struck at $1,780 per ounce (note 8).

The Company also agreed to sell to Auramet the future bulk sample gold production and gold production from the first year of commercial production.

At September 30, 2018, the Company owes $9,039,800 (US$7,000,000) to Auramet. During the three and nine months ended September 30, 2018 respectively, the Company paid interest of $489,895 and $681,426. Interest paid is capitalized to the Fenelon Gold property.

During the three months ended September 30, 2018, the Company recorded a foreign exchange gain of $171,318 on the loan payable and in the nine months ended September 30, 2018, the Company recorded a foreign exchange loss of $23,082.

(expressed in Canadian Dollars)

12. Flow-through premium liability and commitment for qualifying flow-through expenditures:

Balance, December 31, 2016	$ 26,929
Other income recorded as flow-through expenditures incurred relating to 2016 premium	(26,929)
Premium recorded through flow-through proceeds in 2017	626,438
Other income recorded as flow-through expenditures incurred relating to 2017 premium	(390,838)
Balance, December 31, 2017	$ 235,600
Other income recorded as flow-through expenditures incurred relating to 2017 premium	(91,400)
Balance, September 30, 2018	$ 144,200

The Company is committed to spend $1,942,200 prior to December 31, 2018, for qualifying Canadian Exploration Expenses ("CEE") renounced effective December 31, 2017. At September 30, 2018 the Company has spent approximately $365,500 of the commitment and has $1,576,700 remaining to be spent by December 31, 2018.

In addition, the Company has provided an indemnification to subscribers of flow-through shares in an amount equal to the income tax that would be payable by subscribers in the event, and as a consequence, of the Company not incurring and renouncing qualifying CEE as required under the subscription agreement.

(expressed in Canadian Dollars)

13. Related party transactions:

The Company had the following transactions with related parties:

	Three months ended September 30,		Nine months ended September 30,	
	2018	2017	2018	2017
Carube Copper Corp. (note 6):				
Interest income on promissory note (note 7)	$ -	$ (7,649)	$ -	$(36,960)
Reversal of impairment of promissory note	-	-	-	(548,246)
Reversal of impairment of amounts receivable	-	-	-	(8,852)
William Day:				
Interest payments on loan payable (note 11 (a))	-	94,280	297,734	280,220
Closure plan expenditures – Broken Hammer	28,630	-	28,630	-
Exploration and evaluation costs	-	-	645,423	-
Legal fees	-	-	29,917	-

(i) The Company owns 11.3% of Carube Copper (note 6) (December 31, 2017 – 12.7%). The Company had a promissory note receivable from Carube Copper with principal and interest receivable of $293,204 that was settled with 5,367,266 common shares of Carube Copper in March 2018 (note 7). The Company recorded an impairment recovery of $557,098 in the nine months ended September 30, 2017. The impairment charges were reversed upon receipt of an interest payment from Carube Copper in March 2017 and upon the amendment of the promissory note agreement (note 7). These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties.

(ii) On August 10, 2017, a director of William Day became a director of the Company. The Company entered into a loan agreement with William Day in 2016, prior to the director becoming a director of Wallbridge (note 11). Interest on the loan has been capitalized to the Fenelon Gold property. Exploration and evaluation costs relate to surface pond installation, and road maintenance on the Fenelon Gold. On April 27, 2018, the loan was repaid (note 11). At September 30, 2018, $32,352 owing to William Day Construction Limited (a wholly owned subsidiary of William Day) is included in accounts payable and accrued liabilities (December 31, 2017 - $14,900). These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

(expressed in Canadian Dollars)

14. Shareholders' equity:

(a) Share capital transactions:

	Number of shares	Share capital
Balance, December 31, 2017	294,394,851	$63,794,074
Private placements (i) (ii)	58,518,657	5,896,306
Shares issued upon vesting of Restricted Share Units (iii)	1,854,870	152,406
Shares issued upon conversion of Deferred Share Units (iv)	1,264,340	101,147
Shares issued upon exercise of stock options (v)	6,367,500	608,178
Shares issued upon exercise of warrants (vi)	4,573,180	743,627
Warrants ($660,000 less issuance costs) (ii)		(637,231)
Issuance costs allocated to shares	-	(121,556)
Issuance costs allocated to warrants	-	(22,769)
Balance, September 30, 2018	366,973,398	$70,514,182

(i) As a condition to the Bridge Loan (note 11(a)), the Company closed on May 2, 2018, a non-brokered private placement for 28,518,657 common shares at a price of $0.07 per share for gross proceeds of $1,996,306. As part of the private placement, William Day acquired 27,142,857 shares for total consideration of $1,900,000. Prior to this private placement, William Day owned 27,652,050 shares of the Company representing approximately 9.35% of the issued and outstanding shares of the Company. In addition, William Day owns 11,722,050 share purchase warrants. Following this private placement, William Day owned 54,794,907 shares of the Company representing approximately 16.98% of the issued and outstanding shares on a non-diluted basis, and approximately 19.89% on a partially diluted basis.

Share issuances costs of $9,773 for the private placement were charged as a reduction of share capital.

(ii) On September 14, 2018, the Company completed a private placement totaling 30,000,000 units at $0.13 per unit for total gross proceeds of $3,900,000. Each unit consists of one common share and one half common share purchase warrant. Each whole common share purchase warrant entitled the holder to purchase one additional common share of the Company on or before September 14, 2020 at an exercise price of $0.20 per share.

Share issuance costs of $134,552 for the private placement were charged as a reduction of share capital and warrants.

An amount of $660,000 has been assigned to the fair value of the warrants (note 14(c)).

(expressed in Canadian Dollars)

14. Shareholders' equity (continued):

(a) Share capital transactions (continued):

(iii) During January 2018, 1,068,000 common shares were issued upon vesting of restricted share units on December 31, 2017 and that were granted on December 31, 2015 and 81,870 shares were issued upon vesting of restricted share units that were granted on January 10, 2016.

During June 2018, 705,000 common shares were issued upon vesting of restricted share units that were granted on June 5, 2017.

(iv) During June 2018, 632,170 common shares were issued upon settlement of deferred share units. During September 2018, 632,170 common shares were issued upon settlement of deferred share units.

(v) During September 2018, 6,367,500 shares were issued upon exercise of stock options (note 14 (b)).

(vi) During September 2018, 4,573,180 shares were issued upon exercise of warrants.

(b) Share Based Compensation Plan:

The number of common shares reserved for the purpose of the omnibus share compensation based plan was 5,054,981 at September 30, 2018. The omnibus share compensation based plan consists of restricted share units ("RSUs"), deferred share units ("DSUs"), and stock options.

For the three months ended September 30, 2018, $3,100 was recorded in share based compensation expense (three months ended September 30, 2017 - $25,729) relating to RSUs and for the nine months ended September 30, 2018, $34,534 (nine months ended September 30, 2017 - $48,424) was recorded in share based compensation expense relating to RSUs.

A summary of the outstanding RSUs are as follows:

	September 30, 2018	December 31, 2017
Outstanding at beginning of period	1,244,370	2,409,467
Granted	-	812,500
Cancelled	(7,500)	(257,060)
Vested	(786,870)	(1,720,537)
Outstanding at end of period *	450,000	1,244,370

* The 450,000 RSUs vested on November 7, 2018.

(expressed in Canadian Dollars)

14. Shareholders' equity (continued):

(b) Share Based Compensation Plan (continued):

In January 2018, a total of 302,633 DSUs were granted to the directors of the Company in settlement of directors' fees of $28,750 which were earned in 2017.

On April 2, 2018 and July 2, 2018, a total of 857,954 DSUs were granted to the directors of the Company in settlement of directors' fees of $53,750 which were earned for the period of January 1 to June 30, 2018.

In June and September 2018, a director received 1,264,340 shares upon retirement and vesting of the DSUs.

At September 30, 2018, 7,683,522 DSUs are outstanding (December 31, 2017 – 7,787,275).

On October 1, 2018, a total of 103,203 DSUs were granted to the directors of the Company in settlement of directors' fees of $27,142 which were earned for the period of July 1 to September 30, 2018.

A summary of the Company's stock options are as follows:

	September 30, 2018		December 31, 2017	
Stock Options	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, beginning of period	14,560,000	$0.08	15,800,000	$0.09
Granted	4,445,000	$0.07	2,805,000	$0.085
Cancelled	(615,000)	$0.07	(100,000)	$0.085
Exercised	(6,367,500)	$0.07	(445,000)	$0.05
Expired unexercised	(3,680,000)	$0.09	(3,500,000)	$0.16
Outstanding, end of period	8,342,500	$0.07	14,560,000	$0.08

On February 15, 2018, 200,000 stock options were granted at an exercise price of $0.09 which will expire on February 15, 2023 of which 50,000 vest on May 15, 2018, August 15, 2018, November 15, 2018, and February 15, 2019. On June 25, 2018, 1,000,000 stock options were granted at an exercise price of $0.065 which will expire on June 25, 2023 of which 350,000 options vested on June 25, 2018, 350,000 options vest on June 25, 2019 and 300,000 options vest on June 25, 2020. On July 5, 2018, 3,045,000 stock options and on July 23, 2018, 200,000 stock options were granted at an exercise price of $0.075 which will expire on July 5, 2023 and July 23, 2023 of which 50% vested immediately, and 50% vest in one year from the grant date.

(expressed in Canadian Dollars)

14. Shareholders' equity (continued):

(b) Share Based Compensation Plan (continued):

At September 30, 2018, 8,342,500 stock options were exercisable (December 31, 2017 – 13,332,500). The weighted average exercise price of options exercisable at September 30, 2018 is $0.074 per share (December 31, 2017 - $0.075).

The weighted average remaining contractual life of stock options outstanding is 3.6 years (December 31, 2017 - 2.1 years).

For the three and nine months ended September 30, 2018, $26,000 and $43,000 (three and nine months ended September 30, 2017 - $72,500 and $79,300) of expense relating to stock options was recorded in share based compensation.

The fair value of stock options granted during the three and nine months ended September 30, 2018 has been estimated using the Black-Scholes pricing model to be $142,600 and $190,200 (three and nine months ended September 30, 2017 - $9,300 and $128,000) or $0.04 per common share for the three and nine months ended September 30, 2018 ($0.05 per common share for the three and nine months ended September 30, 2017).

The assumptions used in the pricing model are as follows:

	September 30, 2018	December 31, 2017
Estimated risk free interest rate	1.8% to 2.1%	0.83% to 1.56%
Expected life	3.9 years	3.85 years
Expected volatility *	80.2 to 85.2%	75.6% to 80.4%
Expected dividends	$Nil	$Nil
Forfeiture rate *	3.3-3.5%	3.0%

* The expected volatility used was based on the historical volatility of the Company's share price over a period equivalent to the expected life of the options prior to their grant date. The forfeiture rate is based on historical rate of forfeitures at the time of stock option grant.

(expressed in Canadian Dollars)

14. Shareholders' equity (continued):

(b) Share Based Compensation Plan (continued):

The following table summarizes the stock options outstanding at September 30, 2018:

Exercise Price	Number	Exercisable	Expiry Date
$0.065	275,000	275,000	December 18, 2018
$0.10	200,000	200,000	May 5, 2019
$0.05	750,000	750,000	January 8, 2020
$0.05	600,000	600,000	December 30, 2020
$0.08	1,050,000	1,050,000	November 7, 2021
$0.10	150,000	150,000	June 5, 2022
$0.085	1,460,000	1,460,000	June 5, 2022
$0.075	100,000	50,000	November 9, 2022
$0.09	200,000	100,000	February 15, 2023
$0.065	650,000	-	June 25, 2023
$0.075	2,707,500	1,185,000	July 5, 2023
$0.075	200,000	100,000	July 23, 2023
Outstanding options	8,342,500	5,920,000	

(c) Share purchase warrants:

Each warrant entitles the holder to purchase one common share.

At September 30, 2018, the Company has reserved shares for issuance as follows:

	September 30, 2018		December 31, 2017	
Warrants	Number	Average Price	Number	Average Price
Outstanding, beginning of period	55,190,022	$0.12	45,410,837	$0.11
Issued	15,000,000	$0.20	16,475,761	$0.14
Exercised	(4,573,180)	$0.13	(6,696,576)	$0.08
Outstanding, end of period	65,616,842	$0.14	55,190,022	$0.12

(expressed in Canadian Dollars)

14. Shareholders' equity (continued):

(c) Share purchase warrants:

The fair value of the warrants and agent warrants issued was estimated using the Black-Scholes pricing model to be $660,000, $0.044 per warrant in the nine months ended September 28, 2018 (December 31, 2017 - $674,000, $0.041 per warrant) using the following assumptions:

	2018	2017
Estimated risk free interest rate	2.1%	0.64% to 1.43%
Expected life	2 years	1 to 2 years
Expected volatility*	79%	71% to 92%
Expected dividends	$nil	$nil

* The expected volatility used was based on the historical volatility of the Company's share price over a period equivalent to the expected life of the warrants prior to their grant date.

The following table summarizes the warrants outstanding and exercisable at September 30, 2018:

Number	Exercise Price	Expiry Date
2,383,020	$0.15	June 21, 2019
362,247	$0.08	August 19, 2019
18,343,750	$ 0.10	August 19, 2019
591,014	$0.08	October 4, 2019
18,122,000	$0.12	October 4, 2019
592,159	$0.15	November 1, 2019
632,477	$0.10	November 17, 2019
6,498,499	$0.15	November 17, 2019
138,888	$0.10	November 29, 2019
2,952,788	$0.15	November 29, 2019
15,000,000	$0.20	September 24, 2020*
65,616,842		

** exerciseable on January 24, 2019*

(expressed in Canadian Dollars)

15. Earnings (loss) per share:

The following table sets forth the computation of basic and diluted earnings per share:

	Three months ended		Nine months ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Net income (loss) for basic and diluted earnings per share available to common shareholders	$ 856,639	(1,873)	730,553	(429,749)
Weighted average number of shares outstanding - basic	327,158,589	247,155,044	314,134,423	235,643,497
Effect of dilutive securities [(1)]:				
Stock options	2,809,613	-	1,069,103	-
RSUs	450,000	-	859,153	-
DSUs	8,174,146	-	8,251,998	-
Warrants	2,391,357	-	99,469	-
Weighted average number of shares and assumed conversions - diluted	340,493,081	247,155,044	401,843,369	323,436,517
Earnings (loss) per share – reported:				
Basic	$0.00	(0.00)	0.00	(0.00)
Diluted	$0.00	(0.00)	0.00	(0.00)
Non-dilutive securities:				
Stock options	11,250,713	14,891,141	12,191,281	14,389,066
RSUs	-	2,590,708	-	2,547,926
DSUs	-	7,283,552	-	7,645,053
Warrants	55,306,984	42,249,857	55,935,848	43,188,119

(1) Dilutive securities were determined using the Company's average share price for the period. For the three months ended September 30, 2018, the average share price was $0.11 and for the nine months ended September 30, 2018, the average share price was $0.09. For the three and nine months ended September 30, 2017, the Company did not calculate the effect of dilutive securities, as the Company had incurred a loss. The outstanding stock options, RSUs, DSUs and warrants were anti-dilutive and were excluded from the determination of loss per share.

(expressed in Canadian Dollars)

16. Commitments and contingencies:

(a) The Company's activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees.

The Company is not aware whether any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.

(b) At September 30, 2018 the Company has one-year renewable letters of credit, secured by cash and cash equivalents, of $1,441,105 (December 31, 2017 - $386,245) supporting the closure plan for the underground exploration and bulk sampling program at Fenelon Gold of $1,054,860 (December 31, 2017 - $nil), the closure plan for the Broken Hammer Project of $361,245 (December 31, 2017- $361,245), and the Windy Lake Project of $25,000 (December 31, 2017- $25,000). At September 30, 2018, the estimated provision payable for the costs relating to the closure plan for the Broken Hammer Project was $177,447 (December 31, 2017 - $311,688) and the Fenelon Gold project of $1,045,375 (December 31, 2017 - $nil).

	September 30, 2018	December 31, 2017
Provision for closure plan, beginning of year	$ 311,688	$ 345,860
Provision for closure plan expenditures on Fenelon Gold underground exploration and bulk sample program	1,045,375	60,213
Closure plan expenditures	(134,241)	(94,385)
Balance owing	1,222,822	311,688
Current portion	(102,447)	(95,680)
Provision for closure plan, long term	$ 1,120,375	$ 216,008

The long term balance of $75,000 for the Broken Hammer Project is expected to be incurred in 2019 and 2020 and the $1,045,375 on the Fenelon Gold property is expected to be incurred between 2019 and 2028.

(expressed in Canadian Dollars)

17. Subsequent events:

Beschefer Project ("Beschefer"):

On October 16, 2018, the Company entered into an option agreement to acquire 100% of Beschefer from Lateegra Gold Corp., a wholly owned subsidiary of Excellon Resources Inc. Beschefer is an advanced gold exploration property located approximately 30 kilometres southwest of Fenelon Gold. The option may be exercised by the Company by incurring and funding aggregate expenditures on the property in the following amounts and issuing common shares in the capital of the Company as follows:

	Share issuance	Expenditure commitment
Upon execution of the agreement, October 16, 2018	500,000	$ -
October 16, 2019	1,000,000	500,000
October 16, 2020	2,000,000	2,000,000
October 16, 2021	3,500,000	2,000,000
Total	7,000,000	$4,500,000

The Company may accelerate expenditures and the option will be effectively exercised when the Company has $4,500,000 of expenditures and issued 7,000,000 common shares.