

APOGEE OPPORTUNITIES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended
March 31, 2018 and 2017
(expressed in Canadian dollars)

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

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's 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 Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Apogee Opportunities Inc.

Condensed Interim Consolidated Statements of Financial Position

Unaudited

Expressed in Canadian Dollars

As at:		March 31, 2018	June 30, 2017
	Note		
ASSETS			
Current assets:			
Cash		\$ 532,664	\$ 22,685
Amounts receivable		5,844	5,017
Prepaid expenses		7,560	4,725
Available for sale investments	5	813,001	1,574,390
Total current assets		1,359,069	1,606,817
TOTAL ASSETS		\$ 1,359,069	\$ 1,606,817
LIABILITIES AND EQUITY			
Current liabilities:			
Accounts payable and accrued liabilities	11	\$ 192,958	\$ 202,900
Total liabilities		192,958	202,900
Equity:			
Share capital	7	67,062,669	67,062,669
Share-based payments reserve	8	1,501,100	1,525,100
Accumulated other comprehensive loss		(942,649)	(1,695,110)
Deficit		(66,394,748)	(65,451,902)
Equity attributable to shareholders of Apogee		1,226,372	1,440,757
Non-controlling interest		(60,261)	(36,840)
Total equity		1,166,111	1,403,917
TOTAL LIABILITIES AND EQUITY		\$ 1,359,069	\$ 1,606,817
Nature of operations and going concern	1		
Commitments and contingencies	12		
Subsequent event	13		

Approved on behalf of the Directors on April 20, 2018:

Scott Paterson

Director

Peter Bojtos

Director

Apogee Opportunities Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Income/(Loss)

Unaudited

Expressed in Canadian Dollars

	Note	For the three months ended March 31,		For the nine months ended March 31,	
		2018	2017	2018	2017
Expenses					
Consulting and management fees	11	\$ 31,859	\$ 30,000	\$ 94,384	\$ 84,541
Professional fees		7,000	6,250	21,500	27,250
Shareholder communications		150	410	781	18,662
Office and general expenses		9,741	2,860	30,538	8,767
Transfer agent and filing fees		6,195	1,628	7,083	10,699
Exploration and evaluation expenditures	6	69,909	84,513	102,415	112,344
Loss before the undernoted		(124,854)	(125,661)	(256,701)	(262,263)
Loss from sale of available for sale investments	5	-	(37,171)	(721,880)	(89,360)
Interest income		460	-	805	-
Foreign exchange loss		(8,045)	(14,317)	(12,491)	(453)
Net loss for the period		(132,439)	(177,149)	(990,267)	(352,076)
Loss for the period attributable to:					
Owners of the parent		(116,598)	(177,149)	(966,846)	(352,076)
Non-controlling interest		(15,841)	-	(23,421)	-
		(132,439)	(177,149)	(990,267)	(352,076)
Other comprehensive gain/(loss)		(367,336)	(708,272)	752,461	635,699
Net income/(loss) and comprehensive income/(loss) for the period		\$ (499,775)	\$ (885,421)	\$ (237,806)	\$ 283,623
Basic and diluted loss per share		\$ (0.01)	\$ (0.02)	\$ (0.11)	\$ (0.04)
Weighted average number of common shares outstanding - basic and diluted		8,975,607	8,975,607	8,975,607	8,975,607

Apogee Opportunities Inc.

Condensed Interim Consolidated Statements of Cash Flows

Unaudited

Expressed in Canadian Dollars

		For the nine months ended March 31,	
	Note	2018	2017
Cash (used in)/provided by			
Operating activities:			
Net loss for the year		\$ (990,267)	\$ (352,076)
Adjustments for items not affecting cash:			
Loss from sale of investments	5	721,880	89,360
Net cash from operating activities before changes in working capital		(268,387)	(262,716)
Working capital adjustments:			
Change in amounts receivable		(827)	749
Change in prepaid expenses		(2,835)	(3,037)
Change in accounts payable and accrued liabilities		(9,942)	61,058
Net cash (used in) operating activities		(281,991)	(203,946)
Investing activities:			
Proceeds on sale of investments	5	791,970	250,022
Net cash provided by investing activities		791,970	250,022
Change in cash		509,979	46,076
Cash, beginning of the period		22,685	24,314
Cash, end of the period		\$ 532,664	\$ 70,390

Apogee Opportunities Inc.

Condensed Interim Consolidated Statements of Changes in Equity

Unaudited

Expressed in Canadian Dollars

	Attributable to shareholders of Apogee						Total equity
	Share Capital	Share-based payment reserve		Accumulated other comprehensive income/(loss)	Deficit	Non-controlling interest	
	No.	\$	\$	\$	\$	\$	
Balance, June 30, 2016	8,975,607	67,062,669	2,064,501	(2,136,871)	(65,566,199)	(12,568)	1,411,532
Options expired (Note 8)	-	-	(423,901)	-	423,901	-	-
Other comprehensive income	-	-	-	635,699	-	-	635,699
Net loss for the period	-	-	-	-	(352,076)	-	(352,076)
Balance, March 31, 2017	8,975,607	67,062,669	1,640,600	(1,501,172)	(65,494,374)	(12,568)	1,695,155
Balance, June 30, 2017	8,975,607	67,062,669	1,525,100	(1,695,110)	(65,451,902)	(36,840)	1,403,917
Options expired (Note 8)	-	-	(24,000)	-	24,000	-	-
Other comprehensive income	-	-	-	752,461	-	-	752,461
Net loss for the period	-	-	-	-	(966,846)	(23,421)	(990,267)
Balance, March 31, 2018	8,975,607	67,062,669	1,501,100	(942,649)	(66,394,748)	(60,261)	1,166,111

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

Apogee Opportunities Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended March 31, 2018 and 2017 - Unaudited

(Expressed in Canadian dollars unless otherwise noted)

1. Nature of operations and going concern

Apogee Opportunities Inc. ("Apogee" or the "Company") was incorporated in British Columbia, Canada on May 25, 1987 to engage in mineral exploration and evaluation activities. The Company was continued under the laws of the Province of Ontario on January 21, 2005. The registered head office of the Company is located at 65 Queen Street West, Suite 815, Toronto, Ontario, Canada.

The Company's shares are listed on the TSX Venture Exchange ("TSXV"). The condensed interim consolidated financial statements of the Company for the three and nine months ended March 31, 2018 were reviewed, approved, and authorized for issue by the Board of Directors on April 20, 2018.

The Company is currently focused on the evaluation and pursuit of domestic and international opportunities. The Company currently has interests in exploration and evaluation properties in Chile. There has been no determination whether the Company's interests in exploration and evaluation properties contain mineral reserves which are economically recoverable as of March 31, 2018.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. A different basis of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company has a need for capital in order to fund projects and corporate expenditures. The Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operation. These conditions indicate the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs with current cash on hand, available-for-sale investments and future private placements, if available.

These condensed interim consolidated financial statements do not reflect adjustments to the carrying value of assets and liabilities that would be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. Statement of compliance and basis of preparation

These condensed interim consolidated financial statements of the Company and its subsidiary have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and have been prepared in accordance with accounting policies based on International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretation Committee ("IFRIC") interpretations. The policies set out in the Company's annual consolidated financial statements for the year ended June 30, 2017 were consistently applied to all the periods presented unless otherwise noted below.

These condensed interim consolidated financial statements have been prepared on a historical basis except for the investments which are reflected at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. Principles of consolidation

These condensed interim consolidated financial statements comprise the financial statements of the Company, and its 80% owned subsidiary Minera Cachinal S.A. All intercompany transactions, balances, income and expenses are eliminated on consolidation.

Subsidiaries

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

Apogee Opportunities Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended March 31, 2018 and 2017 - Unaudited

(Expressed in Canadian dollars unless otherwise noted)

4. New accounting policies and pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after July 1, 2017. Updates that are not applicable or are not consequential to the Company have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 2- Share-based Payments ("IFRS 2") was amended by the IASB in June 2016 to clarify the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

IFRS 9- Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS16- Leases ("IFRS 16") was issued by the IASB on January 13, 2016 and will replace existing lease guidance in IFRS and related interpretations, and requires companies to bring most leases on-balance sheet. The new standard is effective for annual periods beginning on or after January 1, 2019.

IFRIC 22- Foreign Currency Transactions and Advance Consideration ("IFRIC 22") was issued in December 2016 and addresses foreign currency transactions or parts of transactions where there is consideration that is denominated in a foreign currency; a prepaid asset or deferred income liability is recognized in respect of that consideration, in advance of the recognition of the related asset, expense or income; and the prepaid asset or deferred income liability is non-monetary. The interpretation committee concluded that the date of the transaction, for purposes of determining the exchange rate, is the date of initial recognition of the non-monetary prepaid asset or deferred income liability. IFRIC 22 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

During fiscal 2018, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. This included IAS 7. These new standards and changes did not have any material impact on the Company's financial statements.

5. Investments

The Company's investments include shares in the following securities:

		March 31, 2018		June 30, 2017	
		No. held	Value	No. held	Value
Prophecy Development Corp.	available-for-sale	270,100	\$ 813,001	503,000	\$ 1,574,390

During the nine months ended March 31, 2018, the Company sold 232,900 of its Prophecy Development Corp. ("Prophecy") shares at prices ranging from \$3.01 to \$3.76 per share for net proceeds of \$791,970. Consequently, a loss of \$721,880 was recorded for the nine months ended March 31, 2018.

At March 31, 2018, the quoted market value of the Prophecy shares was \$3.01 per share. Consequently a gain of \$752,461 was recorded for the nine months ended March 31, 2018 in other comprehensive income/(loss) (March 31, 2017: gain of \$635,699).

Apogee Opportunities Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended March 31, 2018 and 2017 - Unaudited

(Expressed in Canadian dollars unless otherwise noted)

6. Exploration and evaluation expenditures

	For the three months ended		For the nine months ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Claims maintenance	\$ 49,972	\$ 47,828	\$ 51,384	\$ 48,491
Legal fees	2,619	26,560	8,696	30,741
Administration	17,318	10,125	42,335	33,112
Total exploration and evaluation costs for the year	\$ 69,909	\$ 84,513	\$ 102,415	\$ 112,344

Cachinal Property

The Company holds an 80% participation interest in the Cachinal Property, located in northern Chile.

7. Share capital

As at March 31, 2018, the Company's authorized number of common shares was unlimited without par value.

	Number of shares	Amount
Balance, June 30, 2017 and March 31, 2018	8,975,607	\$ 67,062,669

8. Share-based payments reserve

Employee share option plan

Under the Company's stock option plan (the "Plan"), the Company may grant to directors, officers, employees and consultants, options to purchase shares of the Company. The Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital. The Plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. Options granted under the Plan will be for a term not exceeding 5 years.

The Plan provides that it is solely within the discretion of the Board to determine who should receive stock options and in what amounts. In no case (calculated at the time of grant) shall the Plan result in:

- The number of options granted in a 12-month period to any one consultant exceeding 2% of the issued shares of the Company;
- The aggregate number of options granted in a 12-month period to any one individual exceeding 5% of the outstanding shares of the Company;
- The number of options granted in a 12-month period to employees or consultants undertaking investor relations activities exceeding in aggregate 2% of the issued shares of the Company;
- The aggregate number of common shares reserved for issuance to any one individual upon the exercise of options granted under the Plan or any previously established and outstanding stock option plans or grants exceeding 5% of the issued shares of the Company in any 12-month period.

During the period ended March 31, 2018, 12,306 options expired unexercised (March 31, 2017: 46,307).

The following share-based payment arrangements were in existence during the current and prior reporting periods:

	No. of options	Weighted Average Exercise Price	Grant Date Value of options	No. of warrants	Weighted Average Exercise Price	Grant Date Value of warrants	Total Value
June 30, 2016	138,922	\$ 8.31	\$ 604,501	1,123,077	\$ 3.25	\$ 1,460,000	\$ 2,064,501
Expired	(105,537)	8.94	(539,401)	-	-	-	(539,401)
June 30, 2017	33,385	\$ 6.50	\$ 65,100	1,123,077	\$ 3.25	\$ 1,460,000	\$ 1,525,100
Expired	(12,306)	6.50	(24,000)	-	-	-	(24,000)
March 31, 2018	21,079	\$ 6.50	\$ 41,100	1,123,077	\$ 3.25	\$ 1,460,000	\$ 1,501,100

Apogee Opportunities Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended March 31, 2018 and 2017 - Unaudited

(Expressed in Canadian dollars unless otherwise noted)

8. Share-based payments reserve (continued)

STOCK OPTIONS:

No. outstanding	No. exercisable	Grant date	Expiry date	Exercise price	Fair value at grant date	Expected volatility	Expected life (yrs)	Expected dividend yield	Risk-free interest rate
21,079	21,079	19-Apr-13	19-Apr-18	6.50	41,100	107%	5.00	0%	1.19%
21,079	21,079			\$ 6.50	\$ 41,100				

The weighted average remaining contractual life of outstanding and exercisable options as of March 31, 2018 is 0.05 years (March 31, 2017: 1.07 years).

WARRANTS:

No. outstanding	No. exercisable	Grant date	Expiry date	Exercise price	Fair value at grant date	Expected volatility	Expected life (yrs)	Expected dividend yield	Risk-free interest rate
1,123,077	1,123,077	10-Feb-14	10-Feb-19	3.25	1,460,000	96%	5.00	0%	1.59%
1,123,077	1,123,077			\$ 3.25	\$ 1,460,000				

The weighted average remaining contractual life of outstanding and exercisable warrants as of March 31, 2018 is 0.87 years (March 31, 2017: 1.89 years).

9. Financial instruments

Financial assets and financial liabilities during the current and prior reporting periods were as follows:

	Available-for-sale investments	Cash, loans and receivables, other financial liabilities	Total
March 31, 2018			
<u>Financial assets:</u>			
Cash	\$ -	\$ 532,664	\$ 532,664
Investments	813,001	-	813,001
<u>Financial liabilities:</u>			
Accounts payable and accrued liabilities	-	(192,958)	(192,958)
June 30, 2017			
<u>Financial assets:</u>			
Cash	\$ -	\$ 22,685	\$ 22,685
Investments	1,574,390	-	1,574,390
<u>Financial liabilities:</u>			
Accounts payable and accrued liabilities	-	(202,900)	(202,900)

A fair value hierarchy prioritizes the methods and assumptions used to develop fair value measurements for those financial assets where fair value is recognized on the statement of financial position. These have been prioritized into three levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data.

Apogee Opportunities Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended March 31, 2018 and 2017 - Unaudited

(Expressed in Canadian dollars unless otherwise noted)

9. Financial instruments (continued)

Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment.

At March 31, 2018, the Company's financial instruments that are carried at fair value, consisting of investments of \$813,001 have been classified as Level 1 within the fair value hierarchy (June 30, 2017: \$1,574,390).

The carrying value of cash, amounts receivable and accounts payable and accrued liabilities reflected in the consolidated statements of financial position approximate fair value because of the limited term of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the nine months ended March 31, 2018 and 2017.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2018, the Company had a cash balance of \$532,664 (June 30, 2017: \$22,685) to settle current liabilities of \$192,958 (June 30, 2017: \$202,900).

Market risk

(a) Interest rate risk

The Company has cash at March 31, 2018. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company considers interest rate risk to be minimal as investments are short term, the Company does not carry interest-bearing debt, and expects future financings will be primarily secured from private placements.

(b) Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds certain operating, exploration and administrative expenses in Chile on a cash call basis in United States dollars which is then converted to Chilean pesos. Currently, the Company does not hedge its foreign exchange risk.

(c) Commodity price risk

The Company is exposed to price risk with respect to commodity prices, specifically lead, zinc and silver. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the Company's control. The supply and demand for these commodities, the level of interest rates, the rate of inflation, investment decisions by large holders of commodities including governmental reserves and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. As the Company does not have producing assets, management believes this risk is minimal.

Sensitivity analysis

The carrying amount of accounts receivable equals fair market value. The effect of changes in foreign exchange rates on net loss is deemed insignificant as the number and amount of foreign currency transactions are relatively small. The Company is exposed to market risk from changes in the fair value of its investments. As at March 31, 2018, a 10% change in the market value of the Company's marketable securities would result in a gain/loss of approximately \$81,000.

10. Capital management

The Company manages and adjusts its capital structure based on available funds in order to support the acquisition, exploration and evaluation of mineral properties. 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 considers its capital to consist of share capital, stock options and warrants.

Apogee Opportunities Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended March 31, 2018 and 2017 - Unaudited

(Expressed in Canadian dollars unless otherwise noted)

10. Capital management (continued)

The properties in which the Company currently has an interest are in the exploration and evaluation stage; as such the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and evaluation 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. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financing will be favourable.

There were no changes in the Company's approach to capital management during the nine months ended March 31, 2018 and 2017. The Company and its subsidiary are not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

11. Related party disclosures

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the periods presented were as follows:

	Three months ended March 31,		Nine months ended March 31,	
	2018	2017	2018	2017
Short-term benefits	\$ 21,000	\$ 13,500	\$ 63,000	\$ 40,500

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

12. Commitments and contingencies

Environment

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Minority shareholder claim

In November 2016, the Company's 20% minority shareholder in its Minera Cachinal S.A. subsidiary formally requested reimbursement of US\$429,788 (\$554,000) for property-related costs it asserts were made on behalf of the Company. Management is evaluating the merits of the claim and believes the claim to be substantially without merit. No provision related to this claim has been recorded in these condensed interim consolidated financial statements.

13. Subsequent event

On April 19, 2018, 21,079 of the Company's stock options expired.