Roughrider
EXPLORATION LIMITED

FINANCIAL STATEMENTS

For the six months ended June 30, 2019 and 2018

Expressed in Canadian dollars
Unaudited – prepared by management

Notice to Reader: As required by National Instrument 51-102 subsection 4.3(3)(a), readers are advised that an auditor has not performed a review of these condensed interim financial statements.

ROUGHRIDER EXPLORATION LIMITED
STATEMENTS OF FINANCIAL POSITION
Expressed in Canadian Dollars
Unaudited – Prepared by Management
AS AT

	June 30, 2019	December 31, 2018
ASSETS		
Current assets		
Cash	$ 159,724	$ 187,337
Receivables	1,606	11,139
Prepaid expenses	2,600	375
	163,930	198,851
Non-current assets		
Exploration property acquisition costs (Note 4)	6,189	6,189
	$ 170,119	$ 205,040
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 7)	$ 245,995	$ 157,225
	245,995	157,225
Shareholders' equity (deficiency)		
Capital stock (Note 6)	5,209,518	5,209,518
Other equity reserves	518,306	518,306
Deficit	(5,803,700)	(5,680,009)
	(75,876)	47,815
	$ 170,119	$ 205,040

Nature and continuance of operations (Note 1)
Related party transactions (Note 8)
Subsequent event (Note 12)

On behalf of the Board of Directors on August 29, 2019

Signed "Scott Gibson" — Director

Signed "Alex Heath" — Director

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

ROUGHRIDER EXPLORATION LIMITED

CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

Expressed in Canadian Dollars

Unaudited – Prepared by Management

	For the three months ended June 30, 2019	For the three months ended June 30, 2018	For the six months ended June 30, 2019	For the six months ended June 30, 2018
EXPENSES				
Exploration expenses (Note 4 and 8)	$ -	$ 60,268	$ -	$ 66,475
Filing fees	1,918	9,629	4,187	12,093
Flow-through premium recovery (Note 5)	-	(10,045)	-	(10,413)
Marketing	121	180	326	364
Office expenses	3,917	3,332	7,110	8,083
Professional fees	5,315	18,129	12,892	22,681
Salaries and personnel costs	48,796	33,932	99,176	97,399
Write-off exploration property acquisition costs (Note 4)	-	-	-	38,537
	$ (60,067)	$ (115,425)	$(123,691)	$ (235,219)
Consulting revenue	-	14,286	-	14,286
Loss and comprehensive loss for the period	$ (60,067)	$ (101,139)	$(123,691)	$ (220,933)
Basic and diluted loss per common share	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.02)
Weighted average number of common shares outstanding	13,806,551	9,416,551	13,806,551	9,416,551

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

ROUGHRIDER EXPLORATION LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

Expressed in Canadian Dollars

Unaudited – Prepared by Management

	Capital Stock				
	Number of Shares	Amount	Other Equity Reserves	Deficit	Total Equity
Balance, December 31, 2017	**9,416,551**	**$4,792,713**	**$ 518,306**	**$(3,944,926)**	**$ 1,366,093**
Loss for the period	--	--	--	(220,933)	(220,933)
Balance, June 30, 2018	**9,416,551**	**$4,792,713**	**$ 518,306**	**$(4,165,859)**	**$ 1,145,160**
Private placement	4,390,000	439,000	--	--	439,000
Share issuance costs	--	(22,195)	--	--	(22,195)
Loss for the period	--	--	--	(1,514,150)	(1,514,150)
Balance, December 31, 2018	**13,806,551**	**$5,209,518**	**$518,306**	**$(5,680,009)**	**$ 47,815**
Loss for the period	--	--	--	(123,691)	(123,691)
Balance, June 30, 2019	**13,806,551**	**$5,209,518**	**$518,306**	**$(5,803,700)**	**$ (75,876)**

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

ROUGHRIDER EXPLORATION LIMITED

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

Expressed in Canadian Dollars

Unaudited – Prepared by Management

FOR THE SIX MONTHS ENDED JUNE 30

	2019	2018
OPERATING ACTIVITIES		
Loss for the year	$ (123,691)	$ (220,933)
Items not affecting cash:		
Flow-through premium	-	(10,413)
Write off exploration property acquisition costs	-	38,537
Changes in non-cash working capital items:		
Receivables	9,553	4,816
Prepaid expenses	(2,225)	(135,322)
Accounts payable and accrued liabilities	88,770	(4,681)
Deferred revenue	-	85,714
Net cash used in operating activities	(27,613)	(242,282)
Decrease in cash for the period	(27,613)	(242,282)
Cash, beginning of period	187,337	294,710
Cash, end of period	$ 159,724	$ 52,428
Cash paid during the period for interest and taxes	$ 850	$ 1,394

There were no significant non-cash transactions during the six months ended June 30, 2019 and 2018.

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Roughrider Exploration Limited ("Roughrider" or the "Company") was incorporated on December 7, 2011 under the *British Columbia Business Corporations Act*. The Company is listed on the TSX Venture Exchange as a Tier 2 Mining Issuer. The principal business of the Company is the exploration and evaluation of mineral properties. The principal focus of the Company is exploring its portfolio of mineral properties, including the Genesis property, a uranium project located to the northeast of the Athabasca Basin in Saskatchewan, and the Silver Ace and Sterling properties in central British Columbia.

The address of the Company's head office is Suite 420 - 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6. The address of the Company's registered office is 2500 - 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1B3.

Effective July 3, 2018, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidation share for 5 pre-consolidation shares. Unless otherwise stated, all share and per share amounts have been restated retrospectively to reflect this share consolidation.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The Company has no regular source of revenue, has an accumulated deficit of $5,803,700 at June 30, 2019, and expects to incur further losses in order to explore its mineral properties. These factors cast significant doubt upon the Company's ability to continue as a going concern and, therefore suggest that the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations are dependent upon its ability to obtain sufficient financing to explore the Genesis property, and upon the successful exploration and development or sale of the Company's exploration projects. Although the Company has been successful in obtaining financing to begin this process, there is no assurance that it will be able to obtain adequate financing in the future, or that such financing will be on terms that are advantageous to the Company.

2. BASIS OF PREPARATION

These condensed interim financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS applicable to the preparation of interim financial statements as issued by the International Accounting Standards Board ("IASB") including International Accounting Standard ("IAS") 34 Interim Financial Reporting, and are consistent with interpretations by the International Financial Reporting Interpretations Committee ("IFRIC") which were effective as of August 29, 2019, the date the Board of Directors authorized these financial statements for issuance.

The preparation of these condensed interim financial statements required management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements. Actual results could differ from these estimates. Critical estimates and judgments are discussed more fully in the Company's audited financial statements for the year ended December 31, 2018.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of presentation

These condensed interim financial statements are expressed in Canadian dollars, the Company's functional and presentation currency, the currency of the primary economic environment in which it operates. These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as *financial instruments at fair value through profit and loss* and *financial instruments at fair value through other comprehensive income*, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

b. New and revised standards and interpretations

Accounting policies used in the preparation of these financial statements are consistent with those described in the Company's audited annual financial statements for the year ended December 31, 2018, except for the following change to IFRS, which were adopted as at January 1, 2019:

IFRS 16, Leases: This new standard eliminates the classification of leases as either operating leases or finance leases and introduces a single lessee accounting model which requires the lessee to recognize assets and liabilities for all leases with a term of longer than 12 months. The Company has no leases as at June 30, 2019, therefore the adoption of IFRS 16 did not have a material impact on the Company's condensed interim financial statements.

4. EXPLORATION PROPERTY

a. Acquisition costs

	Genesis property	Iron Butte property	Other Canadian properties	Total
Balance, December 31, 2017	$ 1,333,612	$ 38,537	$ 12,378	$ 1,384,527
Write-off of acquisition costs	(1,333,612)	(38,537)	(6,189)	(1,378,338)
Balance, December 31, 2018 and June 30, 2019	$ -	$ -	$ 6,189	$ 6,189

Genesis property

On July 16, 2014, the Company entered into an option agreement, subsequently amended, with Kivalliq Energy Corp, ("Kivalliq") under which Roughrider may earn up to an 85% interest in Kivalliq's Genesis uranium project (the "Genesis property") located in the Athabasca Basin region of Canada.

Under the terms of the amended option agreement, the Company may earn an initial 50% interest by making cash payments, incurring expenditures, and issuing shares as follows:

Expressed in Canadian Dollars

4. EXPLORATION PROPERTY (CONTINUED)

a. Acquisition costs (continued)

	Payments	Expenditures	Common shares
On the effective date of the agreement	$125,000 (1)	N/A	393,966 (1)
On or before December 31, 2014	N/A	$1,000,000 (1)	N/A
On signing of the amending agreement	$400,000 (1)	N/A	N/A
On or before August 31, 2016	N/A	N/A	393,966 (1)
On or before August 31, 2017	$175,000 (2)	$1,100,000	N/A
Total	$700,000	$2,100,000 (3)	787,932

(1) This amount has been paid, this expenditure incurred, or these shares issued as of December 31, 2016.
(2) This amount was paid, at Roughrider's election, through the issuance of 500,000 shares with a fair value of $137,500 on August 30, 2017, the date of issue.
(3) As of December 31, 2018, the Company has incurred cumulative expenditures of $2,149,419 including GST, as allowed under the amended option agreement.

As at December 31, 2018, all requirements above have been met and the Company has fulfilled the requirements to earn a 50% interest in the Genesis property.

Once the Company has earned an initial 50% in the Genesis property, the Company may acquire a further 35% interest (for an aggregate 85% interest) by making additional cash payments totaling $700,000 (which may be paid either in cash or in shares, at the Company's election) and incurring additional expenditures of $2,500,000.

During the year ended December 31, 2016, Roughrider acquired additional claims within the boundary of the Genesis project for the issuance of 15,000 common shares, valued at $9,000, and the creation of a 2% net smelter returns royalty ("NSR") on production from the area covered by the licenses. The NSR may be reduced to 1% by the payment of $500,000 within six months of publishing a feasibility study incorporating the area covered by the licences.

During the year ended December 31, 2018, the Company determined that it would not be advancing the Genesis project at this time. Accordingly, the Company wrote off acquisition costs of $1,333,612 as at December 31, 2018.

Iron Butte property

On June 21, 2017, the Company entered into an option agreement under which Roughrider may earn a 100% interest in certain mining claims comprising the Iron Butte oxide gold-silver project in Lander County, Nevada (the "Iron Butte property").

Under the terms of the option agreement, the Company could earn a 100% interest by making certain cash payments and issuing shares. During the year ended December 31, 2018, the Company terminated the Iron Butte option agreement. Accordingly, the Company wrote off $38,537 in related acquisition costs as at December 31, 2018.

Silver Ace property

On November 16, 2017, the Company acquired, by staking, the Silver Ace property, located near Houston, BC, at a cost of $6,189. During the year ended December 31, 2018, the Company did not renew the Silver Ace claims; accordingly, the Company wrote off $6,189 in related acquisition costs as at December 31, 2018.

Sterling property

On November 22, 2017, the Company acquired, by staking, the Sterling property, located near Houston, BC, at a cost of $6,189.

Expressed in Canadian Dollars

4. EXPLORATION PROPERTY (CONTINUED)

a. Acquisition costs (continued)

Brownell Lake property

On June 6, 2018, the Company entered into an option agreement under which Roughrider may earn up to an 80% interest in the Brownell Lake base metals project near La Ronge, Saskatchewan (the “Brownell Lake property”).

Under the terms of the option agreement, the Company can earn an initial 60% interest by making cash payments and incurring exploration expenditures as follows:

	Payments	Expenditures
On or before December 31, 2018	N/A	$100,000*
On or before June 30, 2019	$25,000	N/A
On or before December 31, 2019	N/A	$300,000
On or before June 30, 2020	$50,000	N/A
On or before December 31, 2020	N/A	$600,000
On or before June 30, 2021	$125,000	N/A
On or before December 31, 2021	N/A	$2,000,000
On or before June 30, 2022	$300,000	N/A
Total	$500,000	$3,000,000

* incurred as at December 31, 2018

The Company can earn an additional 20% interest (total 80% interest) by making additional cash payments of $2,000,000 (total $2,500,000) and exploration expenditures of $4,000,000 (total $7,000,000) within two years of the date of election to exercise the initial option. The Brownell Lake property is subject to a 2% NSR.

On March 1, 2019, the Company terminated the Brownell Lake property option agreement.

Olsen property

On June 6, 2018, the Company entered into an option agreement under which the Company may earn up to an 80% interest in the Olsen gold project near La Ronge, Saskatchewan (the “Olsen property”).

Under the terms of the option agreement, the Company can earn an initial 60% interest by making cash payments and incurring exploration expenditures as follows:

	Payments	Expenditures
On or before December 31, 2018	N/A	$100,000*
On or before June 30, 2019	$25,000	N/A
On or before December 31, 2019	N/A	$300,000
On or before June 30, 2020	$50,000	N/A
On or before December 31, 2020	N/A	$600,000
On or before June 30, 2021	$125,000	N/A
On or before December 31, 2021	N/A	$2,000,000
On or before June 30, 2022	$300,000	N/A
Total	$500,000	$3,000,000

* incurred as at December 31, 2018

Expressed in Canadian Dollars

4. EXPLORATION PROPERTY (CONTINUED)

a. Acquisition costs (continued)

Olsen property (continued)

The Company can earn an additional 20% interest (total 80% interest) by making additional cash payments of $2,000,000 (total $2,500,000) and incurring exploration expenditures of $4,000,000 (total $7,000,000) within two years of the date of election to exercise the initial option. The Olsen property is subject to a 2% NSR.

On March 1, 2019, the Company terminated the Olsen property option agreement.

b. Exploration expenses

The Company incurred the following exploration expenditures during the six months ended June 30, 2019 and 2018:

	2019	2018
Field equipment and supplies	$ --	$ 8,872
Geological consulting	--	40,360
Geophysical survey (ground)	--	2,208
Helicopter	--	12,328
Travel	--	2,707
Total	$ --	$ 66,475

5. FLOW-THROUGH PREMIUM LIABILITY

On December 21, 2017, the Company completed a flow-through private placement of 666,600 flow-through units at a price of $0.30 per flow-through unit for gross proceeds of $199,980. Each flow-through unit consisted of one flow-through share and one-half of one share purchase warrant, each warrant exercisable into one non-flow-through common share at a price of $0.50 per share. A $33,330 flow-through share premium liability was recorded pursuant to this financing. Upon incurring qualifying expenditures of $2,089 for the year ended December 31, 2017, the flow-through share premium liability was partially extinguished, and a recovery of this liability was recorded in profit and loss, in the amount of $348. Additional qualifying expenditures of $200,291 were incurred for the year ended December 31, 2018 and a recovery of the flow-through share premium liability was fully extinguished in the amount of $32,982.

6. CAPITAL STOCK

Authorized

Unlimited common shares with no par value and unlimited preferred shares with no par value.

Effective July 3, 2018, the Company consolidated its issued and outstanding common shares on a basis of one post-consolidation share for 5 pre-consolidation shares. Unless otherwise stated, all share and per share amounts have been restated respectively to reflect this share consolidation.

Issuances

2019 transactions

There were no share capital transactions during the period ended June 30, 2019.

Expressed in Canadian Dollars

6. CAPITAL STOCK (CONTINUED)

Issuances (continued)

2018 transactions

On September 18, 2018, the Company closed a non-brokered private placement financing and issued 4,390,000 shares for proceeds of $439,000. The Company paid aggregate cash finders' fees of $19,250 and incurred additional filing fees of $2,945 in connection with this financing.

Stock options

The Company has established a share purchase option plan whereby the Board of Directors may grant options to directors, officers, employees or consultants.

The Company has been authorized by its shareholders to grant stock options numbering up to ten percent (10%) of the number of common shares issued and outstanding. Under the plan, the exercise price of each option shall be determined by the directors but will in no event be less than the discount market price for the common shares. Stock options granted are subject to a maximum term of 10 years and vest at the discretion of the Board of Directors. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than one quarter of such options vesting in any 3-month period.

Details of stock option activity are as follows:

	Number of options	Weighted average exercise price
Outstanding, December 31, 2017, 2018 and June 30, 2019	480,000	$1.00

The following table summarizes information about stock options outstanding and exercisable to directors, officers, employees and consultants as at June 30, 2019:

Grant date	Expiry date	Exercise price	Number of options outstanding and exercisable	Remaining contractual life
Aug. 7, 2014	Aug. 7, 2019	$1.10	390,000	0.10 years
Feb. 1, 2016	Feb. 1, 2021	$0.60	50,000	1.59 years
Dec. 20, 2016	Dec. 20, 2021	$0.35	40,000	2.48 years
Weighted average remaining contractual life				0.71 years

Warrants

Details of warrant activity are as follows:

	Number of warrants	Weighted average exercise price
Outstanding, December 31, 2017	1,276,777	$0.50
Expired	(774,715)	$0.53
Outstanding, December 31, 2018 and June 30, 2019	502,062	$0.50

Expressed in Canadian Dollars

6. CAPITAL STOCK (CONTINUED)

Warrants (continued)

As at June 30, 2019, the outstanding stock purchase warrants were as follows:

Expiry date	Exercise price	Number of warrants	Remaining contractual life
December 21, 2019	$0.50	502,062[1]	0.48 years
Weighted average remaining contractual life:			0.48 years

[1] 48,762 of which are finder's warrants

7. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to use judgement in making estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management has made judgements in a number of areas in preparing these financial statements. Those judgements that have the most significant effect on the amounts recognised in the financial statements are the determination whether the entity remains a going concern, and the assessment of impairment indicators for the Company's exploration property acquisition costs. Areas of critical accounting estimates include share-based payments and warrants and deferred tax assets.

Critical judgements

a. Going concern

These statements have been prepared on the assumption that the Company is able to continue as a going concern. Additional information relating to the going concern assumption is disclosed in Note 1.

b. Impairment of exploration property acquisition costs

Management's judgement is that there were no significant indicators of impairment of certain exploration property acquisition costs. Ownership in exploration properties involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many exploration properties. Also, the Company must periodically apply to the relevant government entities for exploration-licence renewals, extensions and conversions and is subject to those entities' decisions. The Company has investigated ownership of its exploration properties and in management's judgement, ownership of its remaining exploration property interest is in good standing at June 30, 2019.

Key sources of estimation uncertainty

a. Share-based payments and warrants

Determining the fair value of options and warrants requires the exercise of judgement related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments. Option and warrant pricing models require the input of highly subjective assumptions including the expected price volatility and expected life. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's options or warrants at the date of grant. Any changes in the estimates or inputs utilized to determine fair value could result in a significant impact on the Company's future operating results or on other components of equity. Refer to Note 6 for a summary of assumptions used.

7. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

Key sources of estimation uncertainty (continued)

b. Deferred tax assets

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected. Actual results may differ from the estimates made. Judgements and estimates, and their underlying assumptions, are reviewed on an ongoing basis. Revisions to accounting estimates or judgements are recognized in the period in which the estimates are revised and in any future periods affected.

8. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management includes executive and non-executive members of the Company's Board of Directors, the CEO, CFO, and a vice president.

During the six months ended June 30, 2019, the CEO and a vice president of the Company were paid compensation of $77,500 (2018 - $77,500) which is included in salaries, marketing and exploration expenses; non-executive members of the Company's Board of Directors received no cash compensation or stock options.

Other related parties

During the six months ended June 30, 2019:

a) Legal services valued at $3,338 (2018 - $8,645) were provided by a law firm for which one of the directors of the Company is a partner; and

b) The Company paid $2,723 (2018 - $1,104) for administrative services and $6,000 (2018 - $6,000) for rent expense to a company owned by a director and officer of the Company.

As at June 30, 2019, the Company owed $130,122 (December 31, 2018 – $46,948) to related parties, which is included in accounts payable and accrued liabilities.

9. CAPITAL DISCLOSURES

The Company manages its common shares, options and warrants as capital, each components of shareholders' equity. As at June 30, 2019, the Company's shareholders' deficiency was $75,876. As the Company is an exploration-stage mining company, its principal source of funds is from the issuance of common shares (See Note 1). When managing the capital structure, the Company's competing objectives are to minimize the number of shares issued and to raise sufficient capital to both safeguard its ability to continue as a going concern, and to execute near-term exploration objectives. The Company has not established any quantitative capital management criteria as the competing objectives require subjective analysis.

There were no changes to the Company's approach to capital management during the six months ended June 30, 2019. The Company is not subject to any externally imposed capital requirements.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Cash, receivables and accounts payable and accrued liabilities are carried at amortized cost. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments. Cash is measured using level one of the fair value hierarchy.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and receivables. The Company limits its exposure to credit loss by placing its cash with a major Canadian bank. The Company's only significant receivable at June 30, 2019 relates to a sales tax refund from the Government of Canada, who is not considered a default risk.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company is exposed to liquidity risk and manages it through the management of its capital structure, as outlined below. All of the Company's current financial liabilities are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity prices, equity prices, and foreign currency fluctuations.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

Market risk (continued)

a) Interest rate risk

Interest rate risk on cash is minimal because these investments generally have a fixed yield rate. As at June 30, 2019, the Company did not have any interest-bearing debt.

b) Foreign currency risk

The Company could be exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at June 30, 2019, the Company did not have any significant exposure to foreign currencies and so considers foreign currency risk insignificant to the Company at present.

c) Price risk

The Company may at times have limited indirect exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

Capital management

The Company's objectives of capital management are intended to safeguard the Company's ability to support the Company's exploration and evaluation of its resource properties and support any expansion plans. The capital of the Company consists of the items included in shareholders' equity.

The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's underlying assets. To effectively manage the entity's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Corporation has the appropriate liquidity to meet its financial objectives. The Company may issue new shares or seek debt financing to ensure that there is sufficient working capital to meet its short-term business requirements. The Company is not subject to any externally imposed capital requirements.

11. SEGMENTED INFORMATION

The Company has one reportable operating segment being the acquisition, exploration and evaluation of exploration properties. The total assets attributable to geographical locations relate primarily to exploration properties and are located in Canada (Note 4).

12. SUBSEQUENT EVENT

a) Subsequent to June 30, 2019, 390,000 stock options with an exercise price of $1.10 per share expired unexercised.