DALRADIAN
RESOURCES

Dalradian Resources Inc.

Interim Condensed Consolidated Financial Statements
(Unaudited)

(Expressed in Canadian Dollars)

For the three and nine months ended
September 30, 2017 and September 30, 2016

Dalradian Resources Inc.

Condensed Consolidated Statement of Financial Position

(Expressed in Canadian dollars)
(Unaudited)

	As at Sept. 30, 2017	As at Dec. 31, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 48,763,293	$ 35,719,242
Amounts receivable	818,890	666,166
Prepaid expenses and other assets	505,927	506,785
	50,088,110	36,892,193
Non-Current assets:		
Restoration deposit (note 6)	1,042,389	1,032,135
Property, plant and equipment (note 4)	158,975,545	118,988,157
Exploration and evaluation assets (note 5)	4,291,611	3,943,077
	164,309,545	123,963,369
	$ 214,397,655	$ 160,855,562
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 6,086,353	$ 4,908,196
Provision for reclamation (note 6)	351,036	347,844
	6,437,389	5,256,040
Non-Current liabilities:		
Provision for reclamation (note 6)	685,356	679,124
Shareholders' equity:		
Share capital (note 7)	259,357,808	195,974,511
Warrants (note 7)	2,879,391	10,745,550
Contributed surplus	15,028,350	12,314,675
Accumulated deficit	(69,990,639)	(64,114,338)
	207,274,910	154,920,398
	$ 214,397,655	$ 160,855,562

Commitments and contingencies (note 11) and subsequent events (note 13)

See accompanying notes which are an integral part of these condensed consolidated financial statements.

Dalradian Resources Inc.

Condensed Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)
(Unaudited)

	Three months ended Sept. 30, 2017	Three months ended Sept. 30, 2016	Nine months ended Sept. 30, 2017	Nine months ended Sept. 30, 2016
Operating expenses:				
Salaries and related benefits	$ 771,260	$ 579,902	$ 2,369,866	$ 1,679,710
Professional fees and consulting	165,745	235,137	660,081	930,559
Share-based payments	427,870	91,441	1,634,499	371,153
Investor relations and travel	187,254	310,807	614,231	717,307
Office, regulatory and general	242,328	157,591	671,747	488,199
Interest and bank charges	3,085	2,687	11,459	9,161
Amortization	1,152	1,152	3,455	3,454
Foreign exchange loss	182,726	69,468	133,520	734,564
	$ 1,981,420	$ 1,448,185	$ 6,098,858	$ 4,934,107
Interest income	103,862	33,179	222,557	121,328
Loss and comprehensive loss for the period	$ (1,877,558)	$ (1,415,006)	$ (5,876,301)	$ (4,812,779)
Loss per share – basic and diluted (note 9)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)

See accompanying notes which are an integral part of these condensed consolidated financial statements.

Dalradian Resources Inc.

Condensed Consolidated Statement of Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited)

	Nine months ended Sept. 30, 2017	Nine months ended Sept. 30, 2016
Share capital:		
Balance, beginning of period	$ 195,974,511	$ 162,680,450
Common shares issued	25,558,404	121,500
Warrants exercised (note 7)	36,961,967	30,729,039
Share-based payments exercised (note 7)	862,926	1,308,572
Balance, end of period	$ 259,357,808	$ 194,839,561
Warrants:		
Balance, beginning of period	$ 10,745,550	$ 15,019,060
Warrants exercised (note 7)	(6,321,347)	(4,211,829)
Warrants expired (note 7)	(1,544,812)	(43,783)
Balance, end of period	$ 2,879,391	$ 10,763,448
Contributed surplus:		
Balance, beginning of period	$ 12,314,675	$ 12,533,961
Increase from share-based payments	1,865,290	445,071
Warrants expired (note 7)	1,544,812	43,783
Share-based payments exercised	(696,427)	(703,572)
Balance, end of period	$ 15,028,350	$ 12,319,243
Accumulated deficit:		
Balance, beginning of period	$ (64,114,338)	$ (56,293,888)
Loss and comprehensive loss for the period	(5,876,301)	(4,812,779)
Balance, end of period	$ (69,990,639)	$ (61,106,667)
Total shareholders' equity	$ 207,274,910	$ 156,815,585

See accompanying notes which are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Cash Flows

(Expressed in Canadian dollars)
(Unaudited)

	Nine months ended Sept. 30, 2017	Nine months ended Sept. 30, 2016
Cash flows from (used in) operating activities:		
Loss and comprehensive loss for the period	$ (5,876,301)	$ (4,812,779)
Items not affecting cash:		
Unrealized foreign exchange loss (gain) on cash	70,852	1,052,978
Interest income	(222,557)	(121,328)
Amortization	3,455	3,454
Share-based payments	1,634,499	371,153
Unrealized foreign exchange loss (gain) on restoration deposit	(10,254)	205,700
Change in non-cash operating working capital:		
Amounts receivable	280,978	650,173
Prepaid expenses and other asset	(113,723)	32,233
Accounts payable and accrued liabilities	(16,914)	18,389
Cash flows used in operating activities	$ (4,249,965)	$ (2,600,027)
Cash flows from financing activities:		
Exercise of warrants	30,227,220	26,517,210
Exercise of options	166,500	605,000
Cash flows from financing activities	$ 30,393,720	$ 27,122,210
Cash flows from (used) in investing activities:		
Expenditures on exploration and evaluation assets	$ (192,520)	$ (21,497,178)
Additions to property, plant and equipment	(12,118,984)	-
Minco acquisition cost	(919,351)	(2,314,384)
Interest received	202,003	127,967
Cash flows used in investing activities	$ (13,028,852)	$ (23,683,595)
Net change in cash and cash equivalents	13,114,903	838,588
Cash and cash equivalents, beginning of period	35,719,242	43,322,899
Effect of exchange rate fluctuations on cash held	(70,852)	(1,052,978)
Cash and cash equivalents, end of period	$ 48,763,293	$ 43,108,509

See accompanying notes which are an integral part of these condensed consolidated financial statements.

1. NATURE OF OPERATIONS

Dalradian Resources Inc. (collectively with its subsidiaries, the "Company") was incorporated on March 27, 2009, in the Province of Ontario, Canada, and is involved in the acquisition, exploration, evaluation and development of mineral properties in Northern Ireland. The registered address of the Company's head office is Queen's Quay Terminal, 207 Queens Quay West, Suite 416, Toronto, Ontario, M5J 1A7.

The Company's primary focus is the development of its wholly-owned Curraghinalt Project and exploration and evaluation of its mineral properties in Northern Ireland. The Curraghinalt Project transitioned from the exploration and evaluation stage to the development stage for accounting purposes in December 2016.

The recoverability of the amounts paid for the acquisition of, and investment in, mineral properties is dependent upon the commercial development of recoverable reserves, the preservation of the Company's interest in the underlying mineral prospecting licences and mining lease option agreements, the ability to obtain necessary financing and the attainment of profitable operations or, alternatively, the disposal of properties or the Company's interests therein on an advantageous basis.

While the Company has no source of revenue, management believes it has sufficient cash resources to meet its obligations and fund planned expenditures and administrative costs for at least the next twelve months. The Company will have to raise funds in the future to finance the development of the Curraghinalt Project and meet future expenditures and administrative costs. Although the Company has been successful in raising funds to date, as evidenced by proceeds raised from warrants exercised in 2016 and 2017 (see note 7 and note 13) and the proposed private placement announced subsequent to September 30, 2017 (see note 13), there can be no assurance that adequate financing will be available in the future or available under terms acceptable to the Company.

The interim condensed consolidated financial statements ("Consolidated Financial Statements") have been prepared in accordance with IAS 34, *Interim Financial Reporting* applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for the foreseeable future.

2. SIGNIFICANT ACCOUNTING POLICIES

These Consolidated Financial Statements do not include all of the information required for annual consolidated financial statements. Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed.

These Consolidated Financial Statements should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2016 which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

These Consolidated Financial Statements follow the same accounting policies and methods as noted in note 2 of the Company's audited consolidated financial statements for the year ended December 31, 2016.

Preparation of the Consolidated Financial Statements requires management to make estimates and judgments. Measurement uncertainties are described in the Company's audited consolidated financial statements for the year ended December 31, 2016. There has been no change in the nature of critical accounting estimates since the year ended December 31, 2016.

(Expressed in Canadian dollars)

3. RECENT ACCOUNTING PRONOUNCEMENTS AND ADOPTION OF NEW AND AMENDED IFRS STANDARDS

The following new IFRS standards are issued but not yet effective for the Company.

IFRS 9 *Financial Instruments*

On July 24, 2014, the IASB issued the completed IFRS 9, *Financial Instruments,* (IFRS 9 (2014)).

IFRS 9 (2014) includes finalized guidance on the classification and measurement of financial assets. The final standard also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment and new general hedge accounting requirements. IFRS 9 is to come into effect on January 1, 2018 with early adoption permitted.

The Company intends to adopt IFRS 9 (2014) in its financial statements for the annual period beginning on January 1, 2018. Management is in the processes of assessing the impact of IFRS 9 on the Company's financial instruments; however, due to the nature of the financial instruments the impact does not appear to be material.

IFRS 16 *Leases*

On January 13, 2016, the IASB issued IFRS 16, *Leases*.

The 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 12 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. IFRS 16 is to come into effect on January 1, 2019 with early adoption permitted.

The Company intends to adopt IFRS 16 in its financial statements for the annual period beginning on January 1, 2019. The extent of the impact of adoption of the standard has not yet been determined.

4. PROPERTY, PLANT AND EQUIPMENT

	Mineral property under development	Land	Plant and equipment	Total
Cost				
Balance at Dec. 31, 2016	$ 103,696,207	$ 13,471,877	$ 4,788,683	$ 121,956,767
Additions:				
Acquisition	-	664	106,443	107,107
Minco royalty acquisition	26,477,755	-	-	26,477,755
Mineralized material processing, net	(993,580)	-	-	(993,580)
Underground development	1,960,694	-	-	1,960,694
Infill drilling	5,328,438	-	-	5,328,438
Technical studies	1,237,850	-	-	1,237,850
Permitting	3,194,591	-	-	3,194,591
Exploration	725,386	-	-	725,386
Administrative & other	1,721,811	-	-	1,721,811
Share-based payments	230,791	-	-	230,791
Capitalized depreciation	551,621	-	-	551,621
Disposals	-	-	(60,937)	(60,937)
Balance at Sept. 30, 2017	$ 144,131,564	$ 13,472,541	$ 4,834,189	$ 162,438,294

(Expressed in Canadian dollars)

	Mineral property under development	Land	Plant and equipment	Total
Accumulated Amortization				
Balance at Dec. 31, 2016	$ -	$ -	$ 2,968,610	$ 2,968,610
Amortization	-	-	555,076	555,076
Disposals	-	-	(60,937)	(60,937)
Balance at Sept. 30, 2017	$ -	$ -	$ 3,462,749	$ 3,462,749
Net Book Value				
Balance at Sept. 30, 2017	$ 144,131,564	$ 13,472,541	$ 1,371,440	$ 158,975,545
Balance at Dec. 31, 2016	$ 103,696,207	$ 13,471,877	$ 1,820,073	$ 118,988,157

The Company, through its wholly-owned subsidiary, Dalradian Gold Limited ("DGL"), holds a 100% interest in option agreements and prospecting licences, subject to royalties as described below, covering approximately 122,000 hectares, consisting of six contiguous areas (DG1, DG2, DG3, DG4, DG5 and DG6) held under licence or under application, located in counties Tyrone and Londonderry, Northern Ireland, United Kingdom. This approximately 122,000-hectare area is collectively known as the "Northern Ireland Properties".

On December 12, 2016, the Company announced the results of the independent Feasibility Study ("FS") for its 100% owned Curraghinalt Gold Project in Northern Ireland. The Company determined the development of a mine on the mineral property related to the DG1 licence was technically feasible and commercially viable and consequently the property transitioned from the exploration and evaluation stage to the development stage for accounting purposes. The DG2 to DG6 areas remain in the exploration and evaluation stage and the related assets are classified as exploration and evaluation assets.

There are two elements comprising this interest for each of the six licence areas:

- the option agreements for mining leases entered into with the Crown Estate Commissioners ("CEC") for gold and silver (the "CEC Mining Lease Option Agreements"); and
- the prospecting licences entered into with the Department for the Economy ("DfE", formerly known as Department of Enterprise, Trade and Investment) for base metals (the "DfE Prospecting Licences").

On March 11, 2016, DGL finalized renewals of the DG1-DG4 CEC Mining Lease Option Agreements, using a new standard form of CEC agreement, each with a commencement date of January 1, 2016 and an initial expiry date of December 31, 2021. On March 11, 2016, DGL also entered into initial CEC Mining Lease Option Agreements for DG5 and DG6 with a commencement date of January 1, 2016 and expiry date of December 31, 2021. The CEC Mining Lease Option Agreements have a six-year term with an option to extend the term for up to an additional four years (together, the "Option Period").

The DfE Prospecting Licences for DG1 and DG2 were issued in 2013 and are currently in their first two-year extension term which runs from January 1, 2016 to December 31, 2017. They are eligible for one more, two-year extension. The DfE Prospecting Licences for DG3 and DG4 completed their second two-year extension term on April 23, 2017 and the Company's applications for new Prospecting Licences on those areas are being processed by DfE. On June 23, 2016, DGL was granted DfE Prospecting Licences for DG5 and DG6 with a commencement date of June 1, 2016 and expiry date of May 31, 2022. A DfE Prospecting Licence cannot be extended beyond six years from the date of grant; however, at the end of the second two-year extension, DGL may apply for a new DfE Prospecting Licence over the same area. Applications for new DfE Prospecting Licences will be required for DG1 and DG2 in 2019 and for DG5 and DG6 in 2021.

(Expressed in Canadian dollars)

Pursuant to a royalty agreement, dated December 13, 2004 (the "Royalty Agreement"), between DGL and Minco plc ("Minco"), a 2% net smelter return royalty on a portion of the Northern Ireland Properties, including the Curraghinalt gold deposit, is payable by DGL to Minco or its nominee. During the third quarter of 2017, the Company acquired the royalty from Minco (the "Royalty Transaction"). The Royalty Transaction closed on August 30, 2017, resulting in the issuance of a total of 15,489,942 common shares of the Company to Minco shareholders and shareholders' of Minco's wholly owned subsidiary, Buchans Resources Limited. The Royalty Transaction was recorded at closing date share price of $1.65 per share for a total purchase price of $26,477,755 including $919,351 transaction costs related to legal fees and other professional fees. The Royalty Transaction was accounted for as an asset acquisition as Minco does not meet the definition of a business under IFRS 3 Business Combinations. As a result, the purchase price was allocated to the royalty and recognized in property, plant and equipment.

As provided in the CEC Mining Lease Option Agreements, a 4% royalty will be payable to the CEC upon production of gold and/or silver from the Northern Ireland Properties.

During 2017, a recovery of net $1.0 million was credited to property, plant and equipment related to the $4.4 million cost of processing the mineralized material from underground development offset by proceeds of $5.4 million from the sale of processed ore.

5. EXPLORATION AND EVALUATION ASSETS

	Three months ended Sept. 30, 2017	Nine months ended Sept. 30, 2017
Balance, beginning of period	$ 4,175,900	$ 3,943,077
Exploration	115,711	348,534
Balance, end of period	$ 4,291,611	$ 4,291,611

The Curraghinalt Project transitioned from the exploration and evaluation stage to the development stage for accounting purposes in December 2016. Exploration and evaluation expenditures related to the DG1 licence area were transferred to mineral property under development in property, plant and equipment and the remaining balance represents exploration expenditures related to the DG2 to DG6 licence areas. The terms of the CEC Mining Lease Option Agreements, DfE Prospecting Licences and royalty agreement for DG2 to DG6 are described in note 4.

6. PROVISION FOR RECLAMATION

When the surface works phase of the underground exploration program started in 2014, the Company was required to place a restoration deposit of £623,587 (December 31, 2016 - £623,120), equivalent to $1,042,389 (2016 – $1,032,135), in a reserve account as security for reclamation to be performed in accordance with CEC requirements. The funds will remain in the reserve account and accrue interest until reclamation associated with the Underground Program has been satisfactorily completed.

The Company estimates the provision for reclamation based on the estimated cost of reclamation activities required to fulfil the Company's obligation to remediate the current disturbance area of mineral properties. As of September 30, 2017, provision for reclamation is estimated to be £620,000 (December 31, 2016 - £620,000), equivalent to $1,036,392 (December 31, 2016 - $1,026,968). As at

(Expressed in Canadian dollars)

September 30, 2017, management estimates that the current portion of the provision for reclamation is £210,000 (equivalent to $351,036).

7. SHARE CAPITAL, WARRANTS, SHARE OPTIONS, RESTRICTED SHARE UNITS AND DEFERRED SHARE UNITS

(a) Share Capital:

The Company is authorized to issue an unlimited number of common shares with no par value. As at September 30, 2017, 283,576,946 (December 31, 2016 – 243,324,776) common shares were issued and outstanding.

	Number of shares issued		Amount
Balance, December 31, 2016	243,324,776	$	195,974,511
Issuance on Minco royalty acquisition (note 4)	15,489,942		25,558,404
Issuance on exercise of share options	534,571		862,926
Issuance on exercise of warrants	24,227,657		36,961,967
Balance, September 30, 2017	283,576,946	$	259,357,808

(b) Warrants:

	Number of warrants		Amount		Weighted average exercise price
Balance, December 31, 2016	47,776,095	$	10,745,550	$	1.20
Warrants expired	(4,909,288)		(1,544,812)		1.50
Warrants exercised[1]	(24,227,657)		(6,321,347)		1.26
Balance, September 30, 2017	18,639,150	$	2,879,391	$	1.04

1. As of September 30, 2017, $413,400 proceeds for warrant exercise were included in accounts receivable.

As at September 30, 2017, the following warrants were issued and outstanding:

Number of warrants	Shares issuable		Carrying value		Exercise price	Expiry date
18,589,150	18,589,150	$	2,831,631	$	1.04	October 7, 2017
50,000	50,000		47,760		1.50	January 1, 2018
18,639,150	18,639,150	$	2,879,391	$	1.04	

Each warrant entitles the holder to purchase one common share at the stated exercise price up to the expiry date. Also see note 13 for warrant exercises subsequent to September 30, 2017.

(c) Share Options:

	Number of options		Weighted average exercise price
Balance, December 31, 2016	9,000,000	$	0.92
Granted	2,285,000		1.64
Exercised	(1,168,334)		1.02
Balance, September 30, 2017	10,116,666	$	1.07

(Expressed in Canadian dollars)

Of the 10,116,666 outstanding share options, 6,893,343 options were vested and exercisable and 3,223,323 options remain unvested as at September 30, 2017. The overall weighted average remaining life for the options outstanding at September 30, 2017 is 3.12 years.

The fair value of the share options granted to officers, employees, directors and a consultant during the nine months ended September 30, 2017 were estimated using the Black-Scholes option pricing method using the following range of assumptions:

Volatility	58% to 60%
Risk-free interest rate	0.9% to 1.2%
Expected life (years)	3
Dividend yield	Nil
Forfeiture rate	5%

The Company estimates future volatility by reference to the Company's historical volatility over a period equal to the expected life of the option.

(d) Restricted Share Units ("RSUs"):

	Number of RSUs	Weighted average fair value per unit at grant date (i)
Balance, December 31, 2016	1,375,000	$ 1.12
Granted	510,000	1.65
Balance, September 30, 2017	1,885,000	$ 1.26

(i) The fair value of the RSUs are based on the share price on the date of grant. The fair value of RSUs subject to performance conditions is based on a valuation model which considers the probability of various outcomes.

On June 30, 2017, 510,000 RSUs were granted to officers and employees of the Company in accordance with the Company's RSU plan, with 85,000 of the RSUs being subject to a performance condition ("PSUs"). The number of PSUs which vest will be adjusted by a multiple of 0% to 150% depending on the Company's Total Shareholder Return (defined as the cumulative share price appreciation) relative to a group of peer companies over a three year period.

(e) Deferred Share Units ("DSUs"):

	Number of DSUs	Weighted average fair value per unit at grant date (i)
Balance, December 31, 2016	294,000	$ 1.19
Granted	210,000	1.65
Balance, September 30, 2017	504,000	$ 1.38

(i) The fair value of the DSUs are based on the share price on the date of grant.

(f) The following table sets forth expenses relating to share options, RSUs and DSUs for the period ended September 30, 2017:

	Nine months ended Sept. 30, 2017	Nine months ended Sept. 30, 2016
Share options	$ 1,062,040	$ 402,058
RSUs	456,750	43,013
DSUs	346,500	-
	$ 1,865,290	$ 445,071

(Expressed in Canadian dollars)

The total fair value of unvested shared based payment that will be recognized in the consolidated statement of loss and comprehensive loss or capitalized into mineral property under development in future periods is $2,758,530 as at September 30, 2017.

8. RELATED PARTY TRANSACTIONS

Key management personnel are comprised of members of the Board of Directors and officers of the Company. Compensation of key management personnel comprised:

	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Short-term employee benefits and other payments	$ 1,344,985	$ 894,500
Directors' fees	463,750	336,500
Share-based payments	1,431,343	327,806
	$ 3,240,078	$ 1,558,806

9. BASIC AND DILUTED LOSS PER SHARE

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

	Three months ended September 30, 2017	Nine months ended September 30, 2017
Numerator:		
Loss for the period	$ (1,877,558)	$ (5,876,301)
Denominator:		
Weighted average number of common shares	266,811,727	255,247,215
Basic and diluted loss per share	$ (0.01)	$ (0.02)

The outstanding share options, RSUs, DSUs and warrants were not included in the computation of diluted loss per share as their inclusion would be anti-dilutive.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Foreign Currency Risk

Foreign currency risk is the risk that a variation in the exchange rates between the Canadian dollar and foreign currencies could affect the Company's operating and financial results. The Company is exposed to foreign currency risk as the Company holds cash in foreign currencies and has other financial assets and liabilities that are denominated in foreign currencies. The Company's management monitors the exchange rate fluctuations on a regular basis and does not use currency derivative instruments to manage its exposure to foreign currency fluctuations.

At September 30, 2017, the carrying amounts of the Company's foreign currency-denominated net financial assets are approximately as follows:

	Net financial assets (liabilities)	Effect of 10% change in exchange rate on loss
U.S. dollar	$ 1,217,460	$ 121,746
Pound sterling	2,859,242	285,924
Euro	(98,517)	9,852
Australian dollar	(44,997)	4,500

(Expressed in Canadian dollars)

11. COMMITMENTS AND CONTINGENCIES

At September 30, 2017, the Company had the following commitments for operating leases for the next five fiscal years:

	Total	2017	2018	2019	2020	2021
Operating leases	$ 576,705	$ 86,673	$ 317,523	$ 172,509	$ -	$ -

Operating leases represent lease agreements for office spaces in Toronto and Northern Ireland expiring on September 30, 2018 and September 30, 2019 respectively.

The Company may be subject to various contingent liabilities that occur in the normal course of operations.

The Company is disputing invoices from an organization with claims totalling £399,841 (equivalent to $682,489) related to underground development. Management is of the view that the claims are without merit and they will be contested to the full extent of the law. Accordingly, these claims have not been accrued and are considered to be a contingent liability.

12. SEGMENTED REPORTING

The Company’s registered office is in Canada. The geographical segmentation of the Company's assets and expenses are as follows:

	Northern Ireland	Canada	Total
As at September 30, 2017			
Current assets	$ 2,098,601	$ 47,989,509	$ 50,088,110
Restoration deposit	1,042,389	-	1,042,389
Exploration and evaluation assets	4,291,611	-	4,291,611
Property, plant and equipment	158,970,484	5,061	$ 158,975,545
Total assets	$ 166,403,085	$ 47,994,570	$ 214,397,655
Nine months ended September 30, 2017			
Additions to property, plant and equipment	$ 40,481,527	$ -	$ 40,481,527
Additions to exploration and evaluation assets	$ 348,534	$ -	$ 348,534
Revenue	$ -	$ -	$ -
Net loss (gain)	$ (168,595)	$ 6,044,896	$ 5,876,301
As at December 31, 2016			
Current assets	$ 1,220,615	$ 35,671,578	$ 36,892,193
Restoration deposit	1,032,135	-	1,032,135
Exploration and evaluation assets	3,943,077	-	3,943,077
Property, plant and equipment	118,979,641	8,516	118,988,157
Total assets	$ 125,175,468	$ 35,680,094	$ 160,855,562
Nine months ended September 30, 2016			
Additions to property, plant and equipment	$ 2,435,884	$ -	$ 2,435,884
Additions to exploration and evaluation assets	$ 20,513,899	$ -	$ 20,513,899
Revenue	$ -	$ -	$ -
Net loss	$ 120,039	$ 4,692,740	$ 4,812,779

13. SUBSEQUENT EVENTS

Warrant Exercises

Subsequent to September 30, 2017, the Company received proceeds of $19,198,036 as a result of various exercises of a total of 18,459,650 common share purchase warrants issued in October 2015 at a price of $1.04, with an expiry date of October 7, 2017, after which 129,500 common share purchase warrants expired.

Private Placement

Subsequent to September 30, 2017, the Company announced that it entered into subscription agreements with each of Orion Mine Finance Fund II LP ("Orion") and Osisko Gold Royalties Ltd ("Osisko") pursuant to which Orion will make an investment of $50 million and Osisko will make an investment of $28.25 million into the Company by way of a non-brokered private placement, for gross proceeds of $78.25 million (the "Private Placement"). Pursuant to the Private Placement, Orion will acquire 34,013,605 common shares of the company and Osisko will acquire 19,217,687 common shares, each at a price of $1.47 per common share. Closing of the Private Placement is anticipated to occur on or prior to November 30, 2017. Upon closing of the Private Placement, each of Orion and Osisko will own approximately 8.9% and 9.6%, respectively, of the Common Shares (based on the 302,036,596 common shares issued and outstanding at November 8, 2017). The subscription agreements entered into with Orion and Osisko contain various covenants and rights, including among other things, a standstill, participation rights in favour of the investors to maintain their pro rata interest in the Company and rights to match other offers for project financing. In addition, the Company has granted Orion the right to designate one nominee to the board of directors of the Company and a period of exclusivity with respect to the negotiation of future project financing.

As of September 30, 2017, included in prepaid expenses and other assets is $43,300 accrued expenses in relation to the Private Placement.