HARVEST GOLD CORPORATION

(An Exploration Stage Company)

Interim Condensed Consolidated Financial Statements

Nine months ended December 31, 2017

(Unaudited – prepared by management)

(Expressed in Canadian Dollars)

NOTICE TO READER

In accordance with National Instrument 51-102 of the Canadian Securities Administrators, Harvest Gold Corporation (the "Company") discloses that its auditors have not reviewed the unaudited interim financial statements.

The unaudited condensed consolidated interim financial statements of the Company for the nine months ended December 31, 2017 ("Financial Statements") have been prepared by management. The Financial Statements should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2017, which are available at the SEDAR website www.sedar.com. The Financial Statements are stated in Canadian dollars, unless other indicated, and are prepared in accordance with International Financial Reporting Standards ("IFRS").

Harvest Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited – prepared by management)

	Notes	December 31, 2017	March 31, 2017
			(audited)
ASSETS			
Current assets			
Cash and cash equivalents	5	$ 133,982	$ 722,760
GST receivable		3,075	-
Prepaids		5,167	3,679
		142,224	726,439
Reclamation bond	7	15,983	15,983
Exploration and evaluation assets	6	1,464,749	982,743
TOTAL ASSETS		**$ 1,622,956**	**$ 1,725,165**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	8,10	$ 93,404	$ 76,662
Advances payable	9	65,500	65,500
TOTAL LIABILITIES		**158,904**	**142,162**
SHAREHOLDERS' EQUITY			
Share capital	11	12,391,663	12,341,663
Share-based payment reserve	11	1,572,378	1,572,378
Investment revaluation reserve		-	-
Deficit		(12,499,989)	(12,331,038)
TOTAL SHAREHOLDERS' EQUITY		**1,464,052**	**1,583,003**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 1,622,956**	**$ 1,725,165**

Nature and continuance of operations (Note 1)
Commitment (Note 10)

Harvest Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited – prepared by management)

	Three Months Ended December 31, 2017	Three Months Ended December 31, 2016	Nine Months Ended December 31, 2017	Nine Months Ended December 31, 2016
EXPENSES				
Consulting fees	$ 17,535	$ 17,798	$ 63,655	$ 25,878
Management fees	18,500	25,100	55,500	49,100
Office and miscellaneous	8,254	4,399	15,283	10,627
Professional fees	2,638	20,045	43,100	139,786
Share-based payments	-	213,595	-	213,595
Transfer agent, filing fees and shareholder relations	1,161	23,141	15,590	32,837
Travel	-	5,942	-	6,647
	(48,088)	(310,020)	(193,128)	(478,470)
OTHER ITEMS				
Option payments received on exploration and evaluation assets	-	-	24,177	6,442
Loss and comprehensive loss for the period	$ (48,088)	$ (310,020)	$ (168,951)	$ (472,028)
Basic and diluted loss per common share	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding	51,782,864	50,517,864	51,547,655	36,544,920

Harvest Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statement of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited – prepared by management)

		Share capital					
	Notes	Number of shares	Amount	Share-based payment reserves	Investment revaluation reserve	Deficit	Total
Balance at March 31, 2016		**8,111,325**	**$ 10,476,249**	**$ 1,329,398**	**$ 187**	**$ (11,825,370)**	**$ (19,536)**
Comprehensive loss:							
Loss for the period		-	-	-	-	(472,028)	(472,028)
Share-based payments		-	-	213,595	-	-	213,595
Shares issued for private placement (Note 6)		25,824,000	1,291,200	-	-	-	1,291,200
Shares issuance costs		35,000	(97,107)	29,875	-	-	(97,107)
Shares issued for mineral property (Note 6)		16,822,539	841,127	-	-	-	841,127
Balance at December 31, 2016		**50,792,864**	**$ 12,511,469**	**$ 1,572,868**	**$ 187**	**$ (12,297,397)**	**$ 1,822,143**
Balance at March 31, 2017		**50,782,864**	**$ 12,341,663**	**$ 1,572,378**	**$ -**	**$ (12,331,038)**	**$ 1,583,003**
Comprehensive loss:							
Loss for the period		-	-	-	-	(168,951)	(168,951)
Transactions with owners, in their capacity as owners, and other transfers:							
Shares issued for mineral property	6	1,000,000	50,000	-	-	-	50,000
Balance at December 31, 2017		**51,782,864**	**$ 12,391,663**	**$ 1,572,378**	**$ -**	**$ (12,499,989)**	**$ 1,464,052**

See accompanying notes to the condensed consolidated interim financial statements

Harvest Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited – prepared by management)

	Nine months ended	
	December 31, 2017	**December 31, 2016**
Operating activities		
Net income (loss) for the period	$ (168,951)	$ (472,028)
Changes in non-cash working capital items:		
Receivables and prepaids	(4,563)	(71)
Trade payables and accrued liabilities	16,742	(120,943)
Net cash flows provided by (used in) operating activities	(156,772)	(351,156)
Investing activities		
Option payment received on exploration and evaluation assets	-	100,000
Expenditures on mineral properties	(432,006)	(142,542)
Net cash flows provided by (used in) investing activities	(432,006)	42,542
Financing activities		
Shares issued for cash, net	-	1,223,968
Net cash flows provided by (used in) investing activities	-	1,223,968
Change in cash	(588,778)	830,270
Cash, beginning	722,760	15,559
Cash, ending	**$ 133,982**	**$ 845,829**

During the nine months ended December 31, 2017, the Company issued 1,000,000 common shares valued at $50,000 on the acquisition of a mineral property.

During the nine months ended December 31, 2016, the Company issued 16,822,539 common shares valued at $841,127 on the acquisition of mineral properties. The Company also granted 1,272,800 Agent Warrants valued at $29,875 and issued 35,000 common shares valued at $1,750.

1. NATURE AND CONTINUANCE OF OPERATIONS

Harvest Gold Corporation (the "Company" or "Harvest") was incorporated on June 28, 2005, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties. The Company is a Tier 2 Mining Issuer listed and trading on the TSX Venture Exchange ("TSX-V"). The head office, principal address, records office and registered address of the Company are located at 750 West Pender Street, Suite 804, Vancouver, British Columbia, Canada, V6C 2T7.

On July 27, 2016, the Company completed the acquisition of all of the issued and outstanding common shares of Canasur Gold Limited ("Canasur"), which included the accounts of Canasur Goldmines N.V., Canasur Gold Limited N.V. and Carminco N.V. As outlined in Note 4.

The Company's principal business activities is the exploration of natural resource properties. The recovery of the Company's investment in resource properties and related deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop the properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has not earned any revenues to date and is considered to be in the exploration stage.

These unaudited condensed consolidated interim 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 its assets and discharge its liabilities in the ordinary course of operations. The ability of the Company to continue operations as a going concern is ultimately dependent upon achieving profitable operations. To date, the Company has not generated profitable operations from its resource activities and will need to invest additional funds in carrying out its planned exploration, development and operational activities. These uncertainties cast significant doubt about the Company's ability to continue as a going concern. The exploration and evaluation properties in which the Company currently has an interest in are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and cover administrative costs, the Company will use its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire interests in additional properties if there is sufficient geologic or economic potential and if adequate financial resources are available to do so.

These unaudited condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The financial statements were authorized for issue on March 1, 2018 by the Board of Directors of the Company.

Statement of compliance with International Financial Reporting Standards

These unaudited condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Statement of compliance with International Financial Reporting Standards (cont'd)

These unaudited condensed consolidated interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended March 31, 2017.

Basis of preparation

These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars, which unless otherwise noted, is the Company's functional currency.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Harvest Gold Corporation (US), Canasur, Canasur Goldmines N.V., Canasur Gold Limited N.V. and Carminco N.V. All intercompany transactions and balances have been eliminated upon consolidation.

Significant estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. The preparation of the financial statements also requires management to exercise judgement in the process of applying the accounting policies.

On an on-going basis, management evaluates its estimates and assumptions in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include stock-based awards and payments, the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets and provisions for restoration and environmental obligations.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

(Expressed in Canadian Dollars)

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification / allocation of expenditures as exploration and evaluation expenditures or operating expenses; and

3. ACCOUNTING STANDARD ISSUED BUT NOT YET EFFECTIVE

IFRS 9, "Financial Instruments"

The Company has not early adopted this standard, however the Company is currently assessing what impact the application of this standard will have on the consolidated financial statements of the Company.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company's financial statements.

4. ACQUISITION OF CANASUR

On July 27, 2016, the Company completed the acquisition of all the outstanding common shares of Canasur. The acquisition was conducted by way of an Amalgamation Agreement (the "Amalgamation Agreement") and resulted in Canasur becoming a wholly-owned subsidiary of the Company.

For accounting purposes, the acquisition of Canasur has been recorded as an asset acquisition as Canasur did not have the necessary inputs and processes capable of producing outputs required to meet the definition as defined by *IFRS 3, Business Combinations*.

The consideration paid was the issuance of 16,822,539 common shares of the Company to the shareholders of Canasur, which were recorded at a fair value of $672,902.

The fair value of identifiable assets acquired and liabilities assumed resulting from the acquisition of Canasur were as follows:

Assets acquired and liabilities assumed from Canasur		
Exploration and evaluation assets	$	1,281,254
Bank indebtedness		(640)
Trade payables and accrued liabilities		(65,180)
Advances payable		(76,090)
Net assets acquired from Canasur		1,139,344
Net assets acquired in excess of consideration		(466,442)
Consideration	$	672,902

The net assets acquired in excess of the consideration was recorded as a reduction of the carrying value of the exploration and evaluation assets acquired (Note 6).

5. CASH AND CASH EQUIVALENTS

	December 31, 2017	March 31, 2017

Cash	$ 133,982	$ 22,760
Short-term deposits	-	700,000
	$ 133,982	$ 722,760

6. EXPLORATION AND EVALUATION ASSETS

	Cerro Cascaron	Goliat-Tibiti	Total
Acquisition:			
Balance, March 31, 2017	$ -	$ 814,812	$ 814,812
Additions	294,194	-	294,194
Total, December 31, 2017	294,194	814,812	1,109,006
Exploration:			
Balance, March 31, 2017	-	167,931	167,931
Geological and field costs	43,677	144,135	124,936
Total, December 31, 2017	43,677	312,066	292,867
Balance, December 31, 2017	**$ 337,871**	**$ 1,126,878**	**$ 1,464,749**

Goliat-Tibiti, Suriname

Pursuant to the Amalgamation Agreement, the Company acquired Canasur's 100% exploration interest in the Goliat-Tibiti property located in Suriname (Note 4). The property is subject to an agreement requiring the Company to, among other conditions:

a) Pay an annual fee equal to 12% of certain exploration costs, subject to an annual maximum of US $50,000; and
b) A net smelter royalty of 1.0%, which can be repurchased by the Company at any time for US $1,800,000.

Cerro Cascaron, Mexico

During the period ended June 30, 2017, the Company entered into an Option Agreement (the "Option Agreement") to earn up to an 80% interest in the Cerro Cascaron Project located in Mexico. The Cerro Cascaron Project is subject to a 2% NSR. Under the terms of the Option Agreement, the Company can earn an initial 70% interest (the "Initial Interest") in the Cerro Cascaron Project by incurring $6 million in exploration expenditures, making $900,000 in cash payments and issuing 2,000,000 common shares over a four year period, of which 1,000,000 common shares were issued subsequent to March 31, 2017. During the Initial Interest period, the Company can defer exploration expenditures at the end of the first, second or third anniversary for 12 months by making quarterly cash payments of $25,000 and maintaining all other cash payments and claim maintenance costs.

Once the Company has earned its Initial Interest, it will have a 90 day period during which it can elect to earn an additional 10% in the Cerro Cascaron Project by making a cash payment of $200,000 (or issuing 200,000 common shares) and fund a 43-101 compliant feasibility study ("Feasibility Study") over a five year period. Minimum annual exploration expenditures of $2 million are required during this period and a $200,000 cash payment is to be made if the minimum expenditures are not met by the Company.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (cont'd)

Rosebud Gold Mine Property, Nevada, USA

On November 16, 2006, the Company signed a letter of intent to acquire a 100% interest in certain mining claims comprising the Rosebud Gold Mine Property located in Nevada, USA.

Upon earning a 100% interest, on December 15, 2011, the Company was obligated on an annual basis to pay an advance royalty payment of US$50,000 (the "Newmont Royalty") until the property is placed into production and is to be recovered from any actual future mineral production royalty payments.

The Rosebud Gold Mine Property is subject to a 3% Net Smelter Royalty ("NSR"), which the Company has the option to purchase 1.5% of the NSR for $2,250,000.

On November 23, 2015, the Company entered into an option agreement with Rosebud Exploration LLC ("RE"), a private Nevada corporation, whereby RE was granted an option to acquire a 100% right to the Rosebud Gold Mine Property as follows:

Date	Payment
Upon execution of the agreement	US$25,000 (CDN$32,298 received)
Within 10 days of execution of the agreement	US$50,000 towards the Newmont Royalty (paid)
On or before July 31, 2016	All filing fees (paid)

At March 31, 2016, the Company wrote-down the Rosebud Gold Mine Property to $100,000 to reflect its net recoverable value. During the year ended March 31, 2017, RE exercised its option to purchase the Rosebud Gold Mine Property and paid to the Company CDN$100,000.

As RE has exercised its option to purchase, it will also be committed to paying CDN$1,000,000 to the Company within 30 days of RE receiving funding designed to commission and construct a mine on the Rosebud Gold Mine Property. Upon exercising is option, RE has assumed all obligations of the Company in respect of the Newmont Royalty, filing fees and the 3% NSR.

Hunt Property

By an option agreement effective June 28, 2005, the Company acquired a 40% interest in certain claims comprising the Hunt Property located in Manitoba, Canada.

During the year ended March 31, 2015, the Company sold its 40% interest in the Hunt Property to VMS Ventures Inc. ("VMS") for consideration of $140,457, payable as to settlement of its related party debt in the amount of $90,307 and cash of $50,150 (received). VMS will issue to the Company 100,000 common shares upon the earliest to occur of the completion by VMS of a Preliminary Economic Assessment, Pre-

(Expressed in Canadian Dollars)

Feasibility Study or a Feasibility Study. VMS will issue a further 100,000 common shares upon commencement of commercial production from a portion of the mineral claims.

6. EXPLORATION AND EVALUATION ASSETS (cont'd)

RW Claims, Nevada, USA

On November 19, 2010, the Company staked certain mining claims comprising the RW Claims located in Eureka County, Nevada.

On January 1, 2012, as amended on September 5, 2013, the Company entered into a mining lease and option to purchase agreement with Kinetic Gold (US) Inc. ("Kinetic"), whereby Kinetic agreed to lease the RW Claims for a period of 6 years.

On August 13, 2015, the agreement was further amended whereby Kinetic paid US$5,000 (CDN $6,475; received) during the year ended March 31, 2016 and will pay US$15,000 thirty days after Kinetic assigns the property to a third party. During the year ended March 31, 2017, the Company received a further US$5,000 (CDN $6,442) from Kinetic. Kinetic will also pay a further US$30,000 on the first anniversary and US$40,000 on the second anniversary of assigning the property to a third party.

Kinetic will also pay a 2% NSR to the Company from the production or sale of minerals from the RW Claims.

7. RECLAMATION BOND

As December 31, 2017, the Company had a reclamation bond issued with the Nevada Division of Minerals in the amount of US$12,322 (CDN - $15,983) (2016 - US$12,322 (CDN - $15,983)) to guarantee reclamation of the environment of the Rosebud Gold Mine Property.

8. TRADE PAYABLES AND ACCRUED LIABILITIES

	December 31, 2017	March 31, 2017
Trade payables	$ 59,404	$ 24,662
Accrued liabilities (Note 10)	34,000	52,000
	$ 93,404	$ 76,662

9. ADVANCES PAYABLE

At December 31, 2017, recorded in advances payable is $65,500 of which $15,000 and US$4,131 (CDN $5,000) are due to a related party (Note 10) and US$35,000 (CDN $45,500) due to an arm's length party. The advances are non-interest bearing, unsecured and repayable from proceeds of future financing in excess of $1,000,000. The advances have a term of two years, at which time the advances are extinguishable at the Company's discretion, if financing efforts have not been successful.

(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS

a. Contractual commitment with related parties

On January 1, 2015, the Company entered into a management agreement with an officer and director to fulfil the role as Chief Executive Officer for a period of 5 years for a monthly rate of $4,000 per month. In October 2016, the contract was renewed at a new monthly rate of $5,000.

b. Transactions with related parties

During the period ended December 31, 2017, the Company paid or accrued $9,000 (2016 - $6,000) of professional fees and $45,000 (2016 - $49,100) of management fees to companies controlled by officers and directors of the Company. The Company also paid or accrued management fees of $10,500 (2016 - $Nil) to directors of the Company.

As at December 31, 2017, included in trade payables and accrued liabilities was $16,000 (March 31, 2017 - $16,000), owing for fees owing to certain officers and directors of the Company (Note 8). These amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

As at December 31, 2017, included in advances payable is $20,000 owing to a director of the Company (Note 9).

c. Transactions with key management personnel

	Nine months ended	
	Dec. 2017	Dec. 3 2016
Management and professional fees	$ 54,000	$ 45,000

11. SHARE CAPITAL

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

During the year ended March 31, 2017, the Company issued 16,822,539 common shares valued at $672,902 pursuant to the Amalgamation Agreement (Note 4).

During the year ended March 31, 2017, the Company completed a private placement of 25,824,000 units at $0.05 per unit for gross proceeds of $1,292,450. Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable into one common share for a two year period at $0.10 per share. As part of the private placement, the Company issued 25,000 common shares at a fair value of $1,250 and 1,256,800 Agent Warrants at a fair value at $29,385 using the Black-Scholes Option Pricing Model. The assumptions included volatility of 153.7%, a risk-free interest rate of 0.58% and a two year term. The Company also incurred share issuance costs of $69,303.

(Expressed in Canadian Dollars)

During the period ended December 31, 2017, the Company issued 1,000,000 common shares valued at $50,000 pursuant to the acquisition of mineral properties (Note 6).

11. SHARE CAPITAL (cont'd)

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 5 years from the date of grant. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position. Vesting periods are determined by the Board of Directors.

During the year ended March 31, 2017, the Company granted 4,425,000 stock options, exercisable at a price of $0.06 per common share, expiring on December 8, 2021. The estimated grant date fair value of these options was $213,595 using the Black-Scholes Option Pricing Model. The assumptions included volatility of 190.8%, a risk-free interest rate of 1.65% and a five year term.

The changes in options are as follows:

	Nine months ended December 31, 2017		Year ended March 31, 2017	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of period	4,425,000	$ 0.06	-	$ -
Options granted	-	-	4,425,000	0.06
Options outstanding, end of period	4,425,000	$ 0.06	4,425,000	$ 0.06

Warrants

During the year ended March 31, 2017, the Company issued 25,824,000 warrants and 1,256,800 Agent Warrants as part of its private placement. 25,780,800 warrants are exercisable at $0.10 per warrant until September 9, 2018, 100,000 warrants are exercisable at $0.10 until October 7, 2018 and 1,200,000 warrants are exercisable at $0.10 per warrant until October 18, 2018.

The changes in warrants are as follows:

	Nine months ended December 31, 2017	Year ended March 31, 2017

	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning of period	27,080,800	$ 0.10	-	$ -
Warrants issued	-	-	27,080,800	0.10
Warrants outstanding, end of year	27,080,800	$ 0.10	27,080,80(	$ 0.10

11. SHARE CAPITAL (cont'd)

Share-based payment reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Investment revaluation reserve

The investment revaluation reserve records unrealized gains and losses arising on available-for-sale financial assets, except for impairment losses and foreign exchange gains and losses.

12. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its GST receivable. This risk is minimal as GST receivable are refundable from the Government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Foreign exchange risk

(Expressed in Canadian Dollars)

Foreign exchange risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risks as it incurs expenditures that are denominates in the United States dollar while its functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The Company's exposure to foreign currency risk is minimal.

12. FINANCIAL RISK AND CAPITAL MANAGEMENT (cont'd)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at June 30, 2017, the Company did not have any cash equivalents or interest bearing debt and is not subject to interest rate risk.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

Financial assets included in the consolidated statement of financial position are as follows:

	Dec. 31, 2017	March 31, 2017
Loans and receivables:		
Cash and cash equivalents	$ 133,982	$ 722,760
	$ 133,982	$ 722,760

Financial liabilities included in the consolidated statement of financial position are as follows:

	Dec. 31, 2017	March 31, 2017
Non-derivative financial liabilities:		
Trade payables	$ 59,404	$ 24,662

(Expressed in Canadian Dollars)

13. SEGMENTED INFORMATION

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

Geographic segments

		Dec. 31, 2017		**March 31, 2017**
Total assets				
Canada	$	142,224	$	726,439
Mexico		337,871		-
Suriname		1,126,878		982,743
United States		15,983		15,983
	$	1,622,956	$	1,725,165
Exploration and evaluation assets				
Mexico	$	337,871	$	-
Suriname		1,126,878		982,743