Roughrider
EXPLORATION LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended September 30, 2017 and 2016

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.

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

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

	September 30, 2017	December 31, 2016
ASSETS		
Current assets		
Cash and cash equivalents	$ 27,201	$ 476,425
Receivables	13,314	36,404
Prepaid expenses	264,187	7,857
	304,702	520,686
Non-current assets		
Exploration property acquisition costs (Note 4)	1,408,899	1,196,112
	$ 1,713,601	$ 1,716,798
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 7)	$ 319,132	$ 112,394
Non-current liabilities		
Flow-through premium (Note 5)	4,581	51,010
	323,713	163,404
Shareholders' equity		
Capital stock (Note 6)	4,463,400	4,274,221
Other equity reserves	511,418	511,418
Deficit	(3,584,930)	(3,232,245)
	1,389,888	1,553,394
	$ 1,713,601	$ 1,716,798

Nature and continuance of operations (Note 1)
Related party transactions (Note 7)
Subsequent events (Note 11)

On behalf of the Board of Directors on November 29, 2017

Signed "Scott Gibson"	*Signed "Alex Heath"*
Director	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		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
EXPENSES				
Exploration expenses (Note 4 and 7)	1,196	17,688	15,688	104,253
Filing fees	9,322	11,647	20,651	19,756
Flow-through premium recovery (Note 5)	(44,014)	--	(46,429)	(10,821)
Interest income	(973)	(66)	(1,168)	(1,150)
Marketing (Note 7)	15,375	11,617	38,582	16,298
Office expenses	10,893	7,737	25,653	22,119
Professional fees	27,533	6,250	83,291	20,446
Salaries and personnel costs	58,933	57,320	197,596	172,342
Share-based compensation	--	--	--	12,000
Write-off exploration property acquisition costs (Note 4)	--	--	18,821	--
Loss and comprehensive loss for the period	(78,265)	(112,193)	(352,685)	(355,243)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding	37,477,887	24,817,675	36,876,680	24,214,568

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

ROUGHRIDER EXPLORATION LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Expressed in Canadian Dollars

Unaudited – Prepared by Management

	Capital Stock				
	Number of Shares	**Amount**	**Other Equity Reserves**	**Deficit**	**Total Equity**
Balance, December 31, 2015	**23,043,782**	**$3,582,382**	**$ 453,782**	**$(2,702,074)**	**$ 1,334,090**
Private placement	1,035,147	72,460	--	--	72,460
Issuance costs	--	(3,371)	(1,248)	--	(4,619)
Shares issued under option agreement	1,969,828	177,285	--	--	177,285
Warrants issued with private placement	--	(31,200)	31,200	--	--
Share-based payments	--	--	12,000	--	12,000
Property payment	75,000	9,000	--	--	9,000
Loss for the period	--	--	--	(355,243)	(355,243)
Balance, September 30, 2016	26,123,757	$3,806,556	$ 495,734	$(3,057,317)	$ 1,244,973
Balance, December 31, 2016	36,374,757	$4,274,221	$ 511,418	$(3,232,245)	$ 1,553,394
Private placement	200,000	10,000	--	--	10,000
Property payment	2,575,000	179,500	--	--	179,500
Issuance costs	--	(321)	--	--	(321)
Loss for the period	--	--	--	(352,685)	(352,685)
Balance, September 30, 2017	**39,149,757**	**$4,463,400**	**$ 511,418**	**$(3,584,930)**	**$ 1,389,888**

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 three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
OPERATING ACTIVITIES				
Loss for the period	$ (78,265)	$ (112,193)	$ (352,685)	$ (355,243)
Items not affecting cash:				
Flow-through premium recovery (Note 5)	(44,014)	--	(46,429)	(10,821)
Share-based payments	--	--	--	12,000
Write-off of exploration property acquisition costs (Note 4)	--	--	18,821	--
Changes in non-cash working capital items:				
Receivables	(4,116)	(1,342)	23,090	(6,732)
Prepaid expenses	(259,920)	(45,792)	(256,330)	(37,535)
Accounts payable and accrued liabilities	98,019	55,056	206,738	141,847
Net cash used in operating activities	(288,296)	(104,271)	(406,795)	(256,484)
INVESTING ACTIVITIES				
Additions of mineral properties	(19,354)	--	(52,108)	(533)
Net cash used in investing activities	(19,354)	--	(52,108)	(533)
FINANCING ACTIVITIES				
Repayment of loans	--	--	--	(22,460)
Shares and warrants issued in private placements	--	--	10,000	72,460
Share issue costs	--	--	(321)	(4,619)
Net cash provided by financing activities	--	--	9,679	45,381
Decrease in cash for the period	(307,650)	(104,271)	(449,224)	(211,636)
Cash, beginning of period	334,851	267,738	476,425	375,102
Cash, end of period	$ 27,201	$ 163,467	$ 27,201	$ 163,467
Cash consists of:				
Cash	$ 27,201	$ --	$ 27,201	$ --
Cashable guaranteed investment certificate issued by a Canadian bank	--	163,467	--	163,467
	27,201	163,467	334,851	163,467
Cash paid during the period for interest and taxes	361	26	805	753
Non-cash transactions affecting cash flows from Investing and financing activities:				
Finder's warrant valuation	$ --	$ --	$ --	$ 2,570
Shares issued for property	$ 179,500	$ 177,285	$ 179,500	$ 186,285

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 the Genesis property, a uranium project located to the northeast of the Athabasca Basin in Saskatchewan.

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.

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 source of revenue, has an accumulated deficit of $3,584,930 at September 30, 2017, 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 November 29, 2017, 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 period ended December 31, 2016.

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*, 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.

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 period ended December 31, 2016.

b. Recent accounting pronouncements

<u>For the Company's year ended December 31, 2018:</u>

IFRS 7, Financial Instruments: Disclosures amendment requires additional disclosures on transition from IAS 39 and IFRS 9, and will be effective for the Company's year ended December 31, 2018.

IFRS 9, Financial Instruments introduces the new requirements for the classification, measurement and de-recognition of financial assets and financial liabilities. Specifically, *IFRS 9* requires all recognized financial assets that are within the scope of *IAS 39 Financial Instruments: Recognition and Measurement* to be subsequently measured at amortized cost or fair value. The amendment also introduces a third measurement category for financial assets: fair value through other comprehensive income, and includes a single, forward-looking 'expected loss' impairment model. These amendments will be effective for the Company's year ended December 31, 2018.

IFRS 15, Revenue from Contracts with Customers: This new standard establishes a new control-based revenue recognition model which could change the timing of revenue recognition.

<u>For the Company's year ended December 31, 2019:</u>

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 is in the process of assessing the impact of the upcoming changes in accounting standards.

Expressed in Canadian Dollars

4. EXPLORATION PROPERTY

a. Acquisition costs

	September 30, 2017	December 31, 2016
Genesis property, Saskatchewan, Canada	$ 1,371,112	$ 1,196,112
Iron Butte property, Nevada, USA	37,787	-
Total	$ 1,408,899	$ 1,196,112

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").

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:

	Payments	Expenditures	Common shares
On the effective date of the agreement	$125,000(1)	N/A	1,969,828(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	1,969,828(4)
On or before August 31, 2017	$175,000(2)	$1,100,000	N/A
Total	$700,000	$2,100,000(3)	3,939,656

(1) This amount has been paid, this expenditure incurred, or these shares issued as of December 31, 2015.
(2) This amount was paid, at Roughrider's election, through the issuance of 2,500,000 shares at a deemed price of $0.07 per share.
(3) As of September 30, 2017, the Company has incurred cumulative expenditures of $2,186,000 including GST, as allowed under the amended option agreement.
(4) These shares have been issued as of December 31, 2016.

As at September 30, 2017, all requirements above have been met and the Company has earned a 50% interest in the Genesis property.

The Company may acquire a further 35% interest (for an aggregate 85% interest) by making cash payments, incurring expenditures, and issuing shares as follows:

	Payments	Expenditures	Common shares
On or before August 31, 2018	$250,000(1)	N/A	N/A
On or before August 31, 2019	$450,000(1)	$2,500,000	N/A

(1) This amount may be paid either in cash or in shares, at Roughrider's election.

During the year ended December 31, 2016, Roughrider acquired additional claims within the boundary of the Genesis project for the issuance of 75,000 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.

Expressed in Canadian Dollars

4. EXPLORATION PROPERTY (cont'd)

Iron Butte property

On June 21, 2017, the Company entered into an option agreement, with David C. and Debra J. Knight Living Trust (the "Optionor"), under which Roughrider may earn a 100% interest in 24 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 may earn a 100% interest by making cash payments and issuing shares as follows:

	Payments	Common shares
On the effective date of the agreement	US$25,000[(1)]	75,000[(1)]
On or before June 27, 2018	US$50,000	125,000
On or before June 27, 2019	US$75,000	200,000
On or before June 27, 2020	US$100,000	250,000
On or before June 27, 2021	US$150,000	350,000
On or before June 27, 2022	US$200,000	500,000
On or before June 27, 2023	US$400,000	Nil
Total	US$1,000,000	1,500,000

[(1)] US$25,000 has been paid and 75,000 common shares valued at $4,500 issued as of September 30, 2017.

Following exercise of the option until commencement of commercial production, the Company must also pay to the Optionor an advance royalty payment of US$2,000 monthly, which will be credited against a 2.5% NSR retained by the Optionor.

Upon the Company making a production decision in respect of the Iron Butte property, a further US$1,000,000 is payable and 500,000 common shares are issuable to the Optionor.

Following commencement of commercial production, the Company must make cash bonus payments to the Optionor as follows: US$500,000 for every 1,000,000 ounces of gold produced from the Iron Butte property, and US$500,000 for every 10,000,000 ounces of silver produced from the Iron Butte property.

Sabin property

On March 6, 2017, the Company entered into a letter agreement with Commander Resources Ltd. ("Commander") to acquire up to a 100% interest in Commander's Sabin zinc-copper-silver property in Northwestern Ontario, Canada. On June 2, 2017, the Company terminated the letter agreement.

During the period ended September 30, 2017 the Company also staked certain claims contiguous to the Sabin property in Northwestern Ontario, Canada at a cost of $18,821; these costs were written off as at September 30, 2017 as the Company has no intentions of advancing the project at this time.

Expressed in Canadian Dollars

4. EXPLORATION PROPERTY (cont'd)

b. Exploration expenses

The Company incurred the following exploration expenditures during the nine months ended September 30, 2017 and 2016:

		September 30, 2017		September 30, 2016
Assays	$	641	$	-
Consultants (data analysis)		6,764		40,000
Filing fees		39		2,439
Geological consulting		3,880		-
Geological survey		348		46,647
Materials		278		-
Meals		398		167
Parking		-		81
Personnel time		-		14,919
Travel		3,340		-
Total	$	15,688	$	104,253

5. FLOW THROUGH PREMIUM LIABILITY

On December 30, 2016, the Company completed a flow-through private placement of 5,101,000 flow-through shares at a price of $0.06 per share for gross proceeds of $306,060. A $51,010 flow-through share premium liability was recorded pursuant to this financing. Upon incurring qualifying expenditures of $278,575 for the period ended September 30, 2017, the flow-through share premium liability was partially extinguished, and a recovery of this liability was recorded in the Statements of Loss and Comprehensive Loss, in the amount of $46,429 (2016 - $10,821).

6. CAPITAL STOCK

Authorized:

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

Issuances

On February 2, 2016, the Company completed a private placement of 1,035,147 common shares at a price of $0.07 per share for gross proceeds of $72,460. Each unit consisted of one common share and one warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.12 per share until February 1, 2018. The Company paid cash finder's fees of $3,000 and issued 42,857 finder's warrants valued at $1,300. The finder's warrants have the same terms as the warrants bundled in the units. The Company incurred additional costs of $1,619 in connection with this financing.

On May 30, 2016, the Company acquired additional exploration property in exchange for the issuance of 75,000 shares valued at $9,000 and a 2% NSR royalty on the property. 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 licenses. The Company incurred additional costs of $534 in connection with this acquisition.

6. **CAPITAL STOCK** (cont'd)

Issuances (cont'd)

On August 30, 2016, the Company made a share payment to Kivalliq of 1,969,828 shares which was due under the Genesis property option agreement described in Note 4. These shares were issued at a price of $0.09 for a total value of $177,285.

On December 30, 2016, the Company closed the first tranche of a flow-through private placement of 5,101,000 flow-through units (the "FT Units") at a price of $0.06 per FT Unit for aggregate proceeds of $306,060 and an aggregate of 5,150,000 non-flow-through common shares (the "Non-FT Shares") at a price of $0.05 per Non-FT Share for aggregate proceeds of $257,500. The FT Units consist of one flow-through common share and one half of one share purchase warrant. Each whole warrant entitles the holder to purchase one non-flow-through common share at a price of $0.10 per common share until December 30, 2018. The Company paid cash finder's fees of $14,704 and issued 245,070 finder's warrants with a Black-Scholes valuation of $6,684. The finder's warrants have the same terms as the warrants bundled in the units. The Company incurred additional costs of $22,963 in connection with this financing.

On January 5, 2017, the Company closed the final tranche of the non-brokered private placement financing and issued 200,000 additional non-flow through shares ("Non-FT Shares") at a price of $0.05 per Non-FT Share for proceeds of $10,000. The Company incurred additional costs of $321 in connection with this financing.

On July 13, 2017, the Company made a share payment to the Iron Butte Optionor of 75,000 shares which was due under the Iron Butte property option agreement described in Note 4. These shares were issued at a price of $0.06 for a total value of $4,500.

On August 30, 2017, the Company made a share payment to Kivalliq of 2,500,000 shares which was due under the Genesis property option agreement described in Note 4. These shares were issued at a price of $0.07 for a total value of $175,000.

Escrowed shares

As at September 30, 2017, the Company has nil shares held in escrow (December 31, 2016 – 972,000). Tranches of 15% (486,000 shares each) were released every 6 months, with the final tranche being released on July 16, 2017.

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 goal of this plan is to more closely align the interests of option-holders with the interests of shareholders.

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.

Expressed in Canadian Dollars

6. CAPITAL STOCK (cont'd)

Stock options (cont'd)

Details of stock option activity are as follows:

	Number of options	Weighted average exercise price
Outstanding, December 31, 2015	1,950,000	$0.22
Granted	450,000	$0.10
Outstanding, December 31, 2016 and September 30, 2017	2,400,000	$0.20

The following table summarizes information about stock options outstanding and exercisable to directors, officers, employees and consultants as at September 30, 2017:

Grant date	Expiry date	Exercise price	Number of options outstanding and exercisable	Remaining contractual life
Aug. 7, 2014	Aug. 7, 2019	$0.22	1,950,000	1.85 years
Feb. 1, 2016	Feb. 1, 2021	$0.12	250,000	3.34 years
Dec. 20, 2016	Dec. 20, 2021	$0.07	200,000	4.22 years
Weighted average remaining contractual life				2.71 years

The fair values of stock options granted were calculated using the Black-Scholes Option Pricing Model, based on the following weighted average assumptions:

	September 30, 2017	December 31, 2016
Exercise price	--	$0.10
Average risk-free interest rate	--	0.88%
Expected dividend yield	--	0.00%
Expected stock price volatility	--	120.74%
Expected life	--	5.00 years
Value per option	--	$0.047

Expressed in Canadian Dollars

6. CAPITAL STOCK (cont'd)

Warrants

Details of warrant activity are as follows:

	Number of warrants	Weighted average exercise price
Outstanding, December 31, 2015	7,653,896	$0.32
Issued	3,873,574	$0.11
Expired	(603,420)	$0.21
Outstanding, December 31, 2016	10,924,050	$0.25
Expired	(6,264,226)	$0.35
Outstanding, September 30, 2017	4,659,824	$0.11

As at September 30, 2017, the outstanding stock purchase warrants were as follows:

Expiry date	Exercise price	Number of warrants	Remaining contractual life
December 31, 2017	$0.12	786,250(1)	0.25 years
February 1, 2018	$0.12	1,078,004(2)	0.34 years
December 30, 2018	$0.10	2,795,570(3)	1.25 years
Weighted average remaining contractual life:			0.87 years

(1) 67,500 of which are finder's warrants
(2) 42,857 of which are finder's warrants
(3) 245,070 of which are finder's warrants

The fair values of the finder's warrants issued were calculated using the Black-Scholes Option Pricing Model, based on the following weighted average assumptions:

	September 30, 2017	December 31, 2016
Exercise price	--	$0.10
Average risk-free interest rate	--	0.76%
Expected dividend yield	--	0.00%
Expected stock price volatility	--	110.31%
Expected life	--	2.00 years

7. 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 nine months ended September 30, 2017, the CEO and a vice president of the Company were paid compensation of $156,250 (2016 - $193,000) 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. During the nine months ended September 30, 2016, 250,000 stock options were granted to one director.

Other related parties:

During the nine months ended September 30, 2017:

a) Accounting services valued at $30,000 (2016 - $Nil) were received from a company in which the Chief Financial Officer is an associate;

b) Legal services valued at $64,896 (2016 - $4,000) were received from a law firm for which one of the directors of the Company is a partner; and

c) Administrative services valued at $14,280 (2016 - $4,100) were received from a company owned by a director and officer of the Company.

As at September 30, 2017, the Company owed $123,765 (December 31, 2016 – $39,000) to related parties, which is included in accounts payable and accrued liabilities.

8. CAPITAL DISCLOSURES

The Company manages its common shares, options and warrants as capital, each components of shareholders' equity. As at September 30, 2017, the Company's shareholders' equity was $1,386,835. 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.

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

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk factors

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

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

Financial risk factors (cont'd)

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents. The Company limits its exposure to credit loss by placing its cash with a major Canadian bank. The Company's only significant receivable at September 30, 2017 relates to a sales tax refund from the Government of Canada, who is not considered a default risk.

Liquidity risk

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.

a) Interest rate risk

Interest rate risk on cash and cash equivalents is minimal because these investments generally have a fixed yield rate. As at September 30, 2017 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 September 30, 2017, 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.

10. 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 and USA.

11. SUBSEQUENT EVENTS

Subsequent to September 30, 2017, the Company acquired, by staking, the 3,056-hectare Silver Ace property, located five kilometres south of Houston, BC, and the 4,016-hectare Sterling property, located eight kilometres north of Houston, BC.