

BLACKHEATH RESOURCES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2017

Unaudited

BLACKHEATH RESOURCES INC.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by, and are the responsibility of, the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of financial statements by an entity's auditor.

"Alexander Langer"

"Kerry Spong"

Chief Executive Officer

Chief Financial Officer

23 November 2017

BLACKHEATH RESOURCES INC.
CONDENSED INTERIM BALANCE SHEETS

Canadian Dollars

Unaudited

ASSETS	As at 30 September 2017	As at 31 December 2016
Current		
Cash	\$ 186,179	\$ 119,010
Receivables	31,331	36,879
Prepaid expenses	13,207	9,709
Exploration advances (Note 5)	49,569	-
	<u>280,286</u>	<u>165,598</u>
Performance deposits (Note 5)	162,162	170,028
Equipment	4,158	5,326
	<u>\$ 446,606</u>	<u>\$ 340,952</u>

LIABILITIES

Current		
Accounts payable and accrued liabilities (Note 7)	\$ 108,680	\$ 135,180

SHAREHOLDERS' EQUITY

Share capital (Note 3)	7,963,780	7,619,137
Contributed surplus (Note 3)	667,166	665,478
Deficit	(8,293,020)	(8,078,843)
	<u>337,926</u>	<u>205,772</u>
	<u>\$ 446,606</u>	<u>\$ 340,952</u>

Nature of operations and going concern (Note 1)

Commitments (Note 6)

ON BEHALF OF THE BOARD:

"James Robertson", Director

"Kerry Spong", Director

BLACKHEATH RESOURCES INC.

CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE MONTHS ENDED 30 SEPTEMBER

Canadian Dollars

Unaudited

	Number of Shares	Share Capital (Note 3)	Contributed Surplus (Note 3)	Deficit	Total
Balance – 31 December 2015	35,167,475	\$ 6,986,749	\$ 588,135	\$ (7,310,944)	\$ 263,940
Private placement - units	7,000,000	700,000	-	-	700,000
Finders' shares issued	28,700	3,731	-	-	3,731
Finders' warrants issued	-	(12,038)	12,038	-	-
Share issuance costs	-	(59,305)	-	-	(59,305)
Share-based compensation	-	-	65,305	-	65,305
Loss and comprehensive loss for the period	-	-	-	(619,003)	(619,003)
Balance – 30 September 2016	42,196,175	\$ 7,619,137	\$ 665,478	\$ (7,929,947)	\$ 354,668
Balance – 31 December 2016	42,196,175	\$ 7,619,137	\$ 665,478	\$ (8,078,843)	\$ 205,772
Private placement - units	7,240,000	362,000	-	-	362,000
Finders' warrants issued	-	(1,688)	1,688	-	-
Share issuance costs	-	(15,669)	-	-	(15,669)
Loss and comprehensive loss for the period	-	-	-	(214,177)	(214,177)
Balance – 30 September 2017	49,436,175	\$ 7,963,780	\$ 667,166	\$ (8,293,020)	\$ 337,926

- See Accompanying Notes -

BLACKHEATH RESOURCES INC.**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS****FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER**

Canadian Dollars

Unaudited

	Three Months 30 September 2017	Three Months 30 September 2016	Nine Months 30 September 2017	Nine Months 30 September 2016
Expenses				
Accounting and audit	\$ 4,522	\$ 5,762	\$ 16,176	\$ 15,718
Consulting	-	-	-	19,674
Depreciation	389	552	1,168	1,361
Exploration and evaluation (Note 5)	45,878	83,772	139,360	237,173
Foreign exchange loss (gain)	3,670	(4,735)	(2,818)	4,449
Legal fees	1,355	(1,245)	7,727	3,324
Management and director fees	-	51,000	-	201,000
Office and general	5,626	6,042	15,744	16,567
Promotion and investor relations	-	708	-	9,979
Rent and office services	5,453	5,219	15,963	21,672
Share-based compensation (Note 4)	-	65,305	-	65,305
Shareholder communications	478	574	1,839	3,394
Stock exchange and filing fees	-	1,235	8,730	9,402
Transfer agent	1,284	4,443	5,958	6,746
Travel and accommodation	-	-	4,330	11,239
Loss before other item	68,655	218,632	214,177	627,003
Gain on forgiveness of debt (Note 7)	-	-	-	(8,000)
Loss and comprehensive loss for the period	\$ 68,655	\$ 218,632	\$ 214,177	\$ 619,003
Loss per share - basic and diluted	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.02
Weighted-average shares outstanding – basic and diluted	47,940,958	42,196,175	44,132,146	37,876,601

- See Accompanying Notes -

BLACKHEATH RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER

Canadian Dollars

Unaudited

CASH RESOURCES PROVIDED BY (USED IN)	2017	2016
Operating activities		
Loss for the period	\$ (214,177)	\$ (619,003)
Items not involving cash:		
Unrealized foreign exchange loss (gain)	(6,162)	3,456
Gain on forgiveness of debt	-	(8,000)
Share-based compensation	-	65,305
Depreciation	1,168	1,361
Changes in non-cash working capital		
Receivables	5,548	(24,703)
Prepaid expenses	(3,498)	14,984
Exploration advances	(49,569)	(6,969)
Accounts payable and accrued liabilities	(26,500)	(103,919)
	<u>(293,190)</u>	<u>(677,488)</u>
Investing activities		
Equipment	-	(1,575)
Performance deposits	14,028	-
	<u>14,028</u>	<u>(1,575)</u>
Financing activities		
Units issued for cash	362,000	700,000
Share issuance costs	(15,669)	(55,574)
	<u>346,331</u>	<u>644,426</u>
Change in cash position for the period	67,169	(34,637)
Cash position - beginning of period	119,010	187,154
Cash position - end of period	<u>\$ 186,179</u>	<u>\$ 152,517</u>

**Supplemental schedule of non-cash investing
and financing transactions**

Shares issued as finders' fees	\$ -	\$ 3,731
Warrants issued as finders' fees	\$ 1,688	\$ 12,038

- See Accompanying Notes -

BLACKHEATH RESOURCES INC.

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2017

Canadian Dollars

Unaudited

1. NATURE OF OPERATIONS AND GOING CONCERN

Blackheath Resources Inc. (the "Company") is a mineral exploration company and is considered to be in the exploration stage with respect to its mineral property interests in Portugal. Based on the information available to date, the Company has not yet determined whether its mineral properties contain economically recoverable ore reserves. The Company's continuing operation is dependent upon the determination of economically recoverable reserves, the ability of the Company to obtain the financing necessary to maintain operations and successfully complete its exploration and development, and the attainment of future profitable production. The Company is incorporated under the British Columbia Business Corporations Act and its registered office is located at 10th Floor – 595 Howe Street, Vancouver, British Columbia, Canada.

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Several adverse conditions and material uncertainties cast significant doubt upon the validity of this assumption. The Company has no source of operating revenue, is unable to self-finance operations, and has significant cash requirements to maintain its mineral interests (*Note 5*) and overhead requirements. The Company has incurred operating losses since inception.

As at 30 September 2017, the Company had an accumulated deficit of \$8,293,020 and working capital of \$171,606. The Company's working capital resources are insufficient to meet its overhead requirements and exploration programmes for the ensuing twelve months. To maintain operations, the Company will have to raise additional equity funding.

While the Company has been successful in the past at raising funds, there can be no assurance that it will be able to do so in the future or that such funding will be completed on favourable terms. If for any reason the Company is unable to secure the additional sources of financing and continue as a going concern, then this could result in adjustments to the amounts and classifications of assets and liabilities in the Company's financial statements; such adjustments could be material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and basis of presentation

These condensed interim financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board as applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. These statements do not include all of the information and disclosures required by IFRS for annual financial statements. In the opinion of management, all adjustments and information considered necessary for fair presentation have been included in these financial statements.

These condensed interim financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements and should be read in conjunction with the Company's audited financial statements including the notes thereto for the year ended 31 December 2016. All financial information presented herein is unaudited. The Company's board of directors approved these condensed interim financial statements for issue on 23 November 2017.

BLACKHEATH RESOURCES INC.**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS****30 SEPTEMBER 2017**

Canadian Dollars

Unaudited

3. SHARE CAPITAL AND CONTRIBUTED SURPLUS

	Number of Shares	Share Capital	Contributed Surplus
Authorized			
Unlimited common voting shares, without par value			
Issued and outstanding			
Balance – 31 December 2015	35,167,475	\$ 6,986,749	\$ 588,135
Private placement - units	7,000,000	700,000	-
Finders' shares issued	28,700	3,731	-
Finders' warrants issued	-	(12,038)	12,038
Share issuance costs	-	(59,305)	-
Share-based compensation	-	-	65,305
Balance – 31 December 2016	42,196,175	7,619,137	665,478
Private placement - units	7,240,000	362,000	-
Finders' warrants issued	-	(1,688)	1,688
Share issuance costs	-	(15,669)	-
Balance – 30 September 2017	49,436,175	\$ 7,963,780	\$ 667,166

Private placements

In June 2016, the Company completed a non-brokered private placement of 7,000,000 units at a price of \$0.10 per unit for gross proceeds of \$700,000. Each unit comprised one common share of the Company and one non-transferable share purchase warrant entitling the holder to purchase one additional common share of the Company at an exercise price of \$0.18 per share for a period of 24 months after closing. The Company also issued 28,700 shares to finders with a fair value of \$3,731. In addition, the Company issued 358,750 warrants to finders (the "Finders' Warrants") with each Finder's Warrant entitling the holder to purchase one common share of the Company at a price of \$0.18 for a period of 24 months. The fair value of the Finders' Warrants was estimated at \$12,038 using the Black-Scholes Option-Pricing Model with the following weighted-average assumptions: risk-free interest rate of 0.53%, expected dividend yield of 0.00%, estimated stock price volatility of 66.72%, and expected option life of two years. Qualifying persons acting as finders in connection with the placement received a cash commission of up to 7% totalling \$33,005. The Company also paid legal and filing fees totalling \$22,569 in respect of the placement.

In July 2017, the Company completed a non-brokered private placement of 7,240,000 units at a price of \$0.05 per unit for gross proceeds of \$362,000. Each unit comprised one common share of the Company and one non-transferable share purchase warrant entitling the holder to purchase one additional common share of the Company at an exercise price of \$0.10 per share for a period of 36 months after closing. The Company also issued 114,000 warrants to finders (the "Finders' Warrants") with each Finder's Warrant entitling the holder to purchase one common share of the Company at a price of \$0.10 for a period of 36 months. The fair value of the Finders' Warrants was estimated at \$1,688 using the Black-Scholes Option-Pricing Model with the following weighted-average assumptions: risk-free interest rate of 1.31%, expected dividend yield of 0.00%, estimated stock price volatility of 64.40%, and expected option life of three years. Qualifying persons acting as finders in connection with the placement received a cash commission of 6% totalling \$5,700. The Company also paid legal and filing fees totalling \$9,969 in respect of the placement.

BLACKHEATH RESOURCES INC.

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

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Canadian Dollars

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4. STOCK OPTIONS AND WARRANTS

The Company has an incentive stock option plan which complies with the rules set forth by the TSX Venture Exchange. Stock option and warrant transactions are summarized as follows:

	Warrants		Options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding – 31 December 2015	15,932,533	\$ 0.36	3,590,000	\$ 0.20
Options granted			1,080,000	\$ 0.13
Warrants issued	7,358,750	\$ 0.18		
Expired	(9,522,710)	\$ 0.43	(1,040,000)	\$ 0.35
Outstanding – 31 December 2016	13,768,573	\$ 0.21	3,630,000	\$ 0.14
Warrants issued	7,354,000	\$ 0.10		
Expired	(901,250)	\$ 0.53	(160,000)	\$ 0.35
Outstanding – 30 September 2017	20,221,323	\$ 0.16	3,470,000	\$ 0.13
Exercisable – 30 September 2017	20,221,323	\$ 0.16	3,470,000	\$ 0.13

At 30 September 2017, the Company had outstanding stock options and warrants as follows:

	Number of Shares	Exercise Price	Expiry Date
Options	2,390,000	\$ 0.13	30 December 2020
	360,000	\$ 0.13	5 July 2021
	720,000	\$ 0.13	26 July 2021
	<u>3,470,000</u>		
Warrants	2,685,751	\$ 0.20	4 November 2017
	2,822,822	\$ 0.20	24 November 2017
	4,148,750	\$ 0.18	7 June 2018
	3,210,000	\$ 0.18	29 June 2018
	7,354,000	\$ 0.10	19 July 2020
	<u>20,221,323</u>		

The outstanding options have a weighted-average remaining life of 3.42 years; the outstanding warrants have a remaining life of 1.31 years.

BLACKHEATH RESOURCES INC.
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2017

Canadian Dollars
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4. STOCK OPTIONS AND WARRANTS - continued

Share-based compensation

The following table presents information relating to incentive stock options granted to directors, officers, and consultants of the Company during the periods ended 30 September:

	2017	2016
Total options granted	-	1,080,000
Weighted-average exercise price	\$ -	\$ 0.13
Estimated fair value of options granted	\$ -	\$ 65,305
Estimated fair value per option	\$ -	\$ 0.06

The fair value of the share-based compensation to be recognized in the accounts has been estimated using the Black-Scholes Option-Pricing Model with the following weighted-average assumptions:

	2017	2016
Risk-free interest rate	-	0.63%
Expected dividend yield	-	0.00%
Expected stock price volatility	-	65.44%
Expected forfeiture rate	-	0.00%
Expected option life in years	-	5.00

The Company has recorded share-based compensation for the periods as follows:

	2017	2016
Number of options vested in period	-	1,080,000
Compensation recognized in period	\$ -	\$ 65,305

BLACKHEATH RESOURCES INC.**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS****30 SEPTEMBER 2017**

Canadian Dollars

Unaudited

5. EXPLORATION AND EVALUATION**Covas, Portugal**

In May 2011, the Company entered into an option agreement to earn up to an 85% interest in the Covas tungsten project located in northern Portugal. In May 2014, the Company and the optionor amended the agreement to provide the Company with the option to earn additional staged interests from 70% to 85%. The terms of the agreement are as follows:

		Percentage Interest	Expenditures	Cumulative Expenditures
On or before 20 March 2013	(incurred)	51%	€ 300,000	€ 300,000
On or before 20 March 2014	(incurred)	70%	700,000	1,000,000
On or before 20 March 2015	(incurred)	75%	320,000	1,320,000
On or before 20 March 2016	(i)	80%	498,000	1,818,000
On or before 20 March 2017	(i)	85%	833,000	2,651,000
			€ 2,651,000	€ 2,651,000

- (i) The Company and the optionor have entered into negotiations to extend the dates for the Company to complete its expenditure requirements and earn an 80% or 85% interest in the property. In addition, the Company and the optionor are currently in discussions with the government of Portugal to determine the level of expenditures required to maintain the property in good standing upon renewal of the license in 2017.

As at 30 September 2017, the Company had incurred sufficient expenditures under the agreement to provide it the right to earn a 75% interest in the project. At any stage after incurring sufficient qualifying expenditures on the property, the Company may elect to form a joint venture with the optionor, with dilution provisions, to further the development of the project. The Company has not yet provided such an election to the optionor.

Upon grant of a final exploitation license, the joint venture must pay the government of Portugal €500,000; subsequent production from the property is subject to a royalty of 3% of the value of the run-of-mine products or 3% of the value of the concentrates shipped or processed, at the option of the government.

Bejanca, Portugal

In December 2012, the Company entered into an option agreement to acquire up to a 100% interest in the Bejanca tungsten/tin project located in northern Portugal. The Company paid the optionor €25,000 upon signing and must pay an additional €100,000 upon the grant of a preliminary exploitation license and €1,000,000 upon the grant of a final exploitation license.

During the term of the option, the Company must keep the property license in good standing by incurring annual exploration expenditures. The Company has incurred sufficient expenditures to maintain the property in good standing until 31 July 2017. The Company and the optionor are currently in discussions with the government of Portugal to determine the level of expenditures required to maintain the property in good standing upon renewal of the license in 2017.

Upon grant of a final exploitation license and commencement of production, the Company must make payments totalling €250,000 to the government of Portugal; subsequent production from the property is subject to a 10% net profits interest or a progressive production royalty beginning at 4%, at the option of the government.

BLACKHEATH RESOURCES INC.
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2017

Canadian Dollars
Unaudited

5. EXPLORATION AND EVALUATION - continued

Borralha, Portugal

In December 2012, the Company entered into an option agreement to acquire up to a 100% interest in the Borralha tungsten project located in northern Portugal. The Company paid the optionor €25,000 upon signing and must pay an additional €100,000 upon the grant of a preliminary exploitation license and €1,000,000 upon the grant of a final exploitation license.

During the term of the option, the Company must keep the property license in good standing by incurring annual exploration expenditures. The Company has incurred sufficient expenditures to maintain the property in good standing until 31 July 2017. The Company and the optionor are currently in discussions with the government of Portugal to determine the level of expenditures required to maintain the property in good standing upon renewal of the license in 2017.

Upon grant of a final exploitation license and commencement of production, the Company must make payments totalling €500,000 to the government of Portugal; subsequent production from the property is subject to a 10% net profits royalty or a progressive production royalty beginning at 4%, at the option of the government.

Vale das Gatas, Portugal

In November 2013, the Company entered into an option agreement to acquire up to a 100% interest in the Vale das Gatas tungsten project located in northern Portugal. The Company paid the optionor €12,500 upon signing and must pay an additional €100,000 upon the grant of a preliminary exploitation license and €1,000,000 upon the grant of a final exploitation license.

During the term of the option, the Company incurred approximately €262,000 at Vale das Gatas. In October 2017, the Company abandoned this project and returned it to the optionor (*Note 9*).

Exploration advances

As at 30 September 2017, the Company had advanced unapplied cash calls of \$49,569 to be used to pay exploration expenditures in accordance with the Company's ongoing work programmes at the Covas project.

Performance deposits

As at 30 September 2017, the Company had funded \$162,162 (€110,000) in performance deposits that are held by the government of Portugal. These deposits are refundable upon the completion of technical, expenditure, and reporting requirements in accordance with the Covas, Bejanca, Borralha, and Vale das Gatas concession contracts. Should the Company fail to negotiate an acceptable level of expenditure requirements and abandon any of the properties, it would forfeit the related performance deposit.

In January 2017, the Company received a refund of the performance deposit (\$14,028 (€10,000)) on the Adoria project, which was abandoned in 2015. In October 2017, the Company abandoned the Vale das Gatas project and forfeited the performance deposit of \$22,113 (€15,000) (*Note 9*).

BLACKHEATH RESOURCES INC.

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2017

Canadian Dollars

Unaudited

5. EXPLORATION AND EVALUATION - continued

Expenditures

The Company expenses exploration and evaluation expenditures in the period incurred. Expenditures for the periods ended 30 September and cumulative expenditures as at 30 September 2017 are as follows:

Portugal	Expenditures 2017	Expenditures 2016	Cumulative 2017
Covas			
Administration	\$ 2,625	\$ 1,763	\$ 34,703
Camp and general	9,276	7,186	104,608
Consulting	-	29,691	41,912
Drilling	-	-	810,720
Field materials	-	-	22,688
Geochemical, assays	-	-	89,583
Geological	12,012	14,161	838,036
Geophysical	-	-	104,981
Legal, license, and taxes	-	2,885	168,424
Local labour	-	-	62,980
Mapping and reports	-	-	389
Roadwork	-	-	21,227
Travel and accommodation	-	3,388	73,925
Expenditure recoveries	-	(20,970)	(20,970)
	23,913	38,104	2,353,206
Bejanca			
Administration	7,104	7,400	45,070
Camp and general	1,272	5,579	32,516
Field materials	-	206	6,011
Geochemical, assays	-	4,729	19,787
Geological	35,207	60,431	279,606
Legal, license, and taxes	7,239	7,359	37,975
Local labour	-	1,280	9,231
Mapping and reports	-	-	4,984
Option payments	-	-	32,117
Travel and accommodation	231	7,489	45,540
	51,053	94,473	512,837
Borrhla			
Administration	7,930	7,234	45,638
Camp and general	3,474	2,063	43,333
Consulting	-	38,892	55,599
Drilling	-	-	322,631
Field materials	130	281	16,917
Geochemical, assays	400	9,766	75,592
Geological	6,174	8,414	198,360
Legal, license, and taxes	14,392	14,630	72,765
Local labour	-	-	25,886
Mapping and reports	-	-	6,550
Option payments	-	-	32,118
Travel and accommodation	983	1,425	62,519
Expenditure recoveries	-	(14,012)	(20,915)
	33,483	68,693	936,993
Balance carried forward	\$ 108,449	\$ 201,270	\$ 3,803,036

BLACKHEATH RESOURCES INC.
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2017

Canadian Dollars
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5. EXPLORATION AND EVALUATION - *continued*

Expenditures - *continued*

Portugal	Expenditures 2017	Expenditures 2016	Cumulative 2017
Balance brought forward	\$ 108,449	\$ 201,270	\$ 3,803,036
Vale das Gatas			
Administration	7,104	7,185	34,413
Camp and general	2,416	2,303	34,848
Field materials	-	71	3,265
Geochemical, assays	820	1,164	12,240
Geological	4,345	9,534	169,660
Legal, license, and taxes	14,392	14,630	57,965
Local labour	1,416	-	8,388
Option payments	-	-	17,769
Travel and accommodation	418	1,016	38,920
	<u>30,911</u>	<u>35,903</u>	<u>377,468</u>
	\$ 139,360	\$ 237,173	\$ 4,180,504

Title

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated title to its mineral properties and, to the best of its knowledge, title is in good standing and in accordance with the related option agreements.

6. COMMITMENTS

The Company has management and administration contracts with two of its directors and one of its officers. The agreements call for aggregate payments of \$26,000 per month and provide for severance payments should the contracts be terminated without cause. During 2016, these directors and officer agreed to fee reductions such that payments under these agreements were reduced to a total of \$17,000 per month. Effective 1 January 2017, these officers agreed to waive payment of any monthly fees until further notice.

BLACKHEATH RESOURCES INC.

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7. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

The Company had related party transactions with associated persons or corporations, which were undertaken in the normal course of operations and were measured at the amounts agreed to between the parties.

Key management includes executive and non-executive directors and executive officers. The compensation paid or payable to key management, and parties related to key management, is as follows:

	2017	2016
Management and director fees	\$ -	\$ 201,000

Accounts payable includes \$51,000 (31 December 2016 - \$51,000) in accrued fees due to related parties. In April 2016, a director and chair of the audit committee agreed to waive payment of \$8,000 of accrued fees resulting in a gain on forgiveness of debt.

8. SEGMENTED INFORMATION

The Company currently operates in only one operating segment, that being the mineral exploration industry. The Company's corporate offices are located in Canada and its mineral exploration activities are currently conducted in Portugal. Except for its mineral interests, all of the Company's physical assets are held in Canada.

9. SUBSEQUENT EVENT

Subsequent to 30 September 2017, the Company abandoned the Vale das Gatas project and returned the property to the optionor. Upon abandoning the project, the Company forfeited the related performance deposit of \$22,113 (€15,000).