

## FORM 5

### **QUARTERLY LISTING STATEMENT**

Name of Listed Issuer: Fox River Resources Corporation (the "Issuer").

Trading Symbol: FOX

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

#### **General Instructions**

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

#### **SCHEDULE A: FINANCIAL STATEMENTS**

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

## **SCHEDULE B: SUPPLEMENTARY INFORMATION**

The supplementary information set out below must be provided when not included in Schedule A.

### **1. Related party transactions**

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

*Related party transaction disclosure included in note 10 of the Condensed Interim Consolidated Financial Statements.*

### **2. Summary of securities issued and options granted during the period.**

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

- (a) summary of securities issued during the period,

*None issued during the period - see note 4 of the Condensed Interim Consolidated Financial Statements.*

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

*None granted during period - see note 5 of the Condensed Interim Consolidated Financial Statements.*

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

### 3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

*A summary of the Issuer's authorized share capital included in note 4 of the Condensed Interim Consolidated Financial Statements.*

- (b) number and recorded value for shares issued and outstanding,

*The number and recorded value of shares issued is included in the Issuer's Condensed Interim Consolidated Financial Statements and notes to the financial statements.*

- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

*See note 5 of the Condensed Interim Consolidated Financial Statements.*

- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

*No shares of the Issuer are subject to escrow, pooling, or any other restriction on transfer.*

4. **List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.**

<b>Name</b>	<b>Position</b>
Stephen Case	President, Chief Executive Officer & Director
Elizabeth Leonard	Director
John Yokley	Director
Fraser Laschinger	Chief Financial Officer & Secretary

## **SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS**

Provide Interim MD&A if required by applicable securities legislation.

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated September 26, 2019.

Fraser Laschinger  
Name of Director or Senior Officer

"Fraser Laschinger"  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer  Fox River Resources Corporation	For Quarter Ended  19/07/31	Date of Report YY/MM/D  19/09/26
Issuer Address 700-350 Bay Street		
City/Province/Postal Code  Toronto, ON M5H 2S6	Issuer Fax No.	Issuer Telephone No. (416) 972-9222
Contact Name  Fraser Laschinger	Contact Position  CFO	Contact Telephone No.  (416) 628-5930
Contact Email Address  fraser@fox-river.ca	Web Site Address	

# **Fox River Resources Corporation**

## **Condensed Interim Consolidated Financial Statements**

**For the three and nine months ended July 31, 2019**

(unaudited)

(presented in Canadian dollars)

### **Notice of non-review of condensed interim financial statements**

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In accordance with National Instrument 51-102 Continuous Disclosure Obligations of the Canadian Securities Administrators, notice is given that the condensed interim consolidated financial statements for the nine month period ended July 31, 2019 have not been reviewed by the Company's auditors.

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**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Financial Position**  
(unaudited)

<b>As at</b>	<b>Jul. 31, 2019</b>	<b>Oct. 31, 2018</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (note 3a)	\$ 914,667	\$ 1,136,298
Accounts receivable	7,067	5,233
Prepaid expenses	13,309	5,609
Marketable securities (note 8)	55,648	-
	990,691	1,147,140
<b>Non-current assets</b>		
Restricted cash (note 3a)	5,000	5,000
<b>Total assets</b>	<b>\$ 995,691</b>	<b>\$ 1,152,140</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 2,827	\$ 25,953
	2,827	25,953
<b>Shareholders' equity</b>		
Share capital (note 4)	1,271,643	1,271,643
Share based payment reserve (note 5)	96,580	96,580
Deficit	(375,359)	(242,036)
	992,864	1,126,187
<b>Total liabilities and shareholders' equity</b>	<b>\$ 995,691</b>	<b>\$ 1,152,140</b>

Events after the reporting period (note 14)

*The accompanying notes are an integral part of the condensed interim consolidated financial statements.*

**Fox River Resources Corporation**
**Condensed Interim Consolidated Statements of Operations and Comprehensive Income (Loss)**  
(unaudited)

	Three months ended Jul. 31, 2019	Three months ended Jul. 31, 2018	Nine months ended Jul. 31, 2019	Nine months ended Jul. 31, 2018
<b>Expenses</b>				
Consulting fees (note 10)	\$ 25,500	\$ 25,500	\$ 76,500	\$ 56,500
Administration	9,462	8,702	30,227	27,801
Exploration & evaluation expenditures (note 9 & 10)	9,585	9,101	29,520	31,649
Shareholder information	3,341	3,345	25,097	23,970
Professional fees	475	513	2,019	4,817
(Loss) from operations	(48,363)	(47,161)	(163,363)	(144,737)
Interest income	4,440	3,923	14,518	5,973
Unrealized gain (loss) on marketable securities	15,522	-	15,522	-
Gain on sale of land (note 7)	-	-	-	559,699
Transaction costs on sale of land (note 7)	-	-	-	(57,142)
<b>Net income (loss) and comprehensive income (loss)</b>	<b>\$ (28,401)</b>	<b>\$ (43,238)</b>	<b>\$ (133,323)</b>	<b>\$ 363,793</b>
<b>Basic and fully diluted income (loss) per share (note 6)</b>	<b>\$ (0.001)</b>	<b>\$ (0.001)</b>	<b>\$ (0.003)</b>	<b>\$ 0.009</b>

*The accompanying notes are an integral part of the condensed interim consolidated financial statements.*



**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(unaudited)

<b>For the nine months ended,</b>	<b>Jul. 31, 2019</b>	<b>Jul. 31, 2018</b>
<b>Cash flows from operating activities</b>		
Net income (loss)	\$ (133,323)	\$ 363,793
Gain on sale of land	-	(559,699)
Unrealized gain (loss) on marketable securities	(15,522)	-
Changes in non-cash working capital items		
Accounts receivable	(1,834)	(1,263)
Prepaid expenses	(7,700)	(2,861)
Accounts payable and accrued liabilities	(23,126)	(17,870)
	(181,505)	(217,900)
<b>Cash flows from investing activities</b>		
Purchase of marketable securities	(40,126)	-
Sale of land (note 7)	-	1,000,000
	(40,126)	1,000,000
<b>Net change in cash and cash equivalents</b>	<b>(221,631)</b>	<b>782,100</b>
Cash and cash equivalents, beginning of period	1,136,298	388,749
<b>Cash and cash equivalents, end of period</b>	<b>\$ 914,667</b>	<b>\$ 1,170,849</b>

*The accompanying notes are an integral part of the condensed interim consolidated financial statements.*

**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**  
(unaudited)

	Number of shares	Share capital	Share based payment reserve	Deficit	Total
<b>Balance, October 31, 2017</b>	<b>41,278,527</b>	<b>\$ 1,271,643</b>	<b>\$ 96,580</b>	<b>\$ (539,317)</b>	<b>\$ 828,906</b>
Net income and comprehensive income for the period	-	-	-	363,793	363,793
<b>Balance, July 31, 2018</b>	<b>41,278,527</b>	<b>\$ 1,271,643</b>	<b>\$ 96,580</b>	<b>\$ (175,524)</b>	<b>\$ 1,192,699</b>
Net loss and comprehensive loss for the period	-	-	-	(66,512)	(66,512)
<b>Balance, October 31, 2018</b>	<b>41,278,527</b>	<b>\$ 1,271,643</b>	<b>\$ 96,580</b>	<b>\$ (242,036)</b>	<b>\$ 1,126,187</b>
Net loss and comprehensive loss for the period	-	-	-	(133,323)	(133,323)
<b>Balance, July 31, 2019</b>	<b>41,278,527</b>	<b>\$ 1,271,643</b>	<b>\$ 96,580</b>	<b>\$ (375,359)</b>	<b>\$ 992,864</b>

*The accompanying notes are an integral part of the condensed interim consolidated financial statements.*

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the nine months ended July 31, 2019**  
(unaudited)

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## **1. REPORTING ENTITY**

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Fox River Resources Corporation ("Fox River" or the "Company") was incorporated pursuant to the Canada Business Corporations Act under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 350 Bay Street, Suite 700, Toronto, Ontario M5H 2S6. The Company has one wholly-owned subsidiary: Baltic Resources Inc. ("Baltic").

The Company's business plan includes acquiring, exploring, evaluating and developing mineral and natural resources properties such as its wholly-owned Martison Phosphate Project.

## **2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE**

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These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") on the basis of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Accordingly, they do not include all of the information required for full annual financial statements as required by IFRS. These condensed interim consolidated financial statements are presented in Canadian dollars and should be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2018.

These condensed interim consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business, and on a historical cost basis except for the revaluation of certain financial instruments. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The Board of Directors approved the condensed interim consolidated financial statements and authorized their issuance on September 26, 2019.

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The financial framework and accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those as disclosed in the most recently completed audited consolidated financial statements for the year ended October 31, 2018.

### **(a) Cash and cash equivalents**

Cash and cash equivalents include money market instruments and Guaranteed Investment Certificates ("GICs") which are readily convertible into cash or have maturities at the date of purchase of less than ninety days.

	<b>July 31, 2019</b>	<b>October 31, 2018</b>
Cash	\$ 61,189	\$ 125,263
Money market instruments & GICs	853,478	1,011,035
<b>Cash and cash equivalents</b>	<b>\$ 914,667</b>	<b>\$ 1,136,298</b>

Restricted cash consists of GIC collateral of \$5,000 for a corporate credit card.

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the nine months ended July 31, 2019**  
(unaudited)

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**(b) Changes in accounting policies**

The Company adopted the following standard during the nine months ended July 31, 2019.

IFRS 9 Financial Instruments uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The effective date for the application of IFRS 9 was November 1, 2018. The Company's adoption of IFRS 9 did not have a material impact upon the condensed interim consolidated financial statements.

**(c) Future accounting pronouncements**

Standards issued but not yet effective up to the date of issuance of these financial statements are listed below. This list is of standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

In January 2016, the IASB issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that 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. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019. The Company has reviewed the standard in detail and determined that the impact on the Company's financial statements will not be material.

**4. SHARE CAPITAL**

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The authorized share capital consists of an unlimited number of common shares with no par value and an unlimited number of non-voting special shares. As at July 31, 2019, the Company had 41,278,527 common shares issued and outstanding.

The Company did not issue any common shares during the nine months ended July 31, 2019.

	<b>Number of Shares</b>	<b>Consideration</b>
<b>Balance, October 31, 2018 and July 31, 2019</b>	<b>41,278,527</b>	<b>\$ 1,271,643</b>

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the nine months ended July 31, 2019**  
(unaudited)

## 5. SHARE BASED PAYMENTS

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

The Company did not issue any share options during the nine months ended July 31, 2019.

	Options	Exercise price
<b>Balance, October 31, 2018 and July 31, 2019</b>	<b>2,200,000</b>	<b>\$ 0.05</b>

As at July 31, 2019, the following share options were outstanding and exercisable:

Expiry date	Options	Exercise price
April 1, 2021	2,200,000	\$ 0.05
<b>Options Outstanding and Exercisable</b>	<b>2,200,000</b>	<b>\$ 0.05</b>

## 6. INCOME (LOSS) PER SHARE

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

	Three months ended Jul. 31, 2019	Three months ended Jul. 31, 2018	Nine months ended Jul. 31, 2019	Nine months ended Jul. 31, 2018
Net income (loss)	\$ (28,401)	\$ (43,238)	\$ (133,323)	\$ 363,793
Weighted-average common shares outstanding:				
Basic	41,278,527	41,278,527	41,278,527	41,278,527
Diluted	41,278,527	41,278,527	41,278,527	41,645,194
<b>Basic income (loss) per common share</b>	<b>\$ (0.001)</b>	<b>\$ (0.001)</b>	<b>\$ (0.003)</b>	<b>\$ 0.009</b>
<b>Diluted income (loss) per common share</b>	<b>\$ (0.001)</b>	<b>\$ (0.001)</b>	<b>\$ (0.003)</b>	<b>\$ 0.009</b>

## 7. LAND

On March 20, 2018, the Company sold the 71 acres of land the Company owned in the City of Brandon, Manitoba for gross proceeds of \$1,000,000. Prior to its sale, the land was carried at a book value of \$440,301. Accordingly, upon the closing of the sale, the Company recognized a gain of \$559,699. In connection with the sale, the Company incurred transaction costs totaling \$57,142, including real estate broker fees of \$50,000, and legal fees of \$7,142.

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the nine months ended July 31, 2019**  
(unaudited)

## 8. MARKETABLE SECURITIES

The Company held the following marketable securities as at July 31, 2019:

Company	Security	Cost	Unrealized Gain/Loss	Jul. 31, 2019 Fair Value
Chibougamau Independent Mines Inc.	300,800 common shares	\$ 40,126	\$ 15,522	\$ 55,648

## 9. EXPLORATION AND EVALUATION EXPENDITURES

The Company owns a 100% interest in the Martison Phosphate Project (the "Project"), which is located about 70 kilometers northeast of the town of Hearst, Ontario. The Project mining leases and claims cover a contiguous area of approximately 8,256 ha. The Company's interest in the Project is subject to a net sales returns ("NSR") royalty of 1% for all phosphate concentrate sold, a royalty of \$0.40 per tonne of phosphate concentrate produced subject to escalation based on phosphoric acid prices, and an NSR royalty of 2% for all non-phosphate-related products sold. The Company has a one-time right to acquire the 1% NSR royalty prior to commencement of commercial production for \$3,000,000.

The following table sets forth the items under exploration and evaluation expenditures:

	Three months ended Jul. 31, 2019	Three months ended Jul. 31, 2018	Nine months ended Jul. 31, 2019	Nine months ended Jul. 31, 2018
Leases and property taxes <sup>1</sup>	\$ 4,185	\$ 3,701	\$ 11,159	\$ 15,449
Storage and rent	5,400	5,400	16,200	16,200
Technical and consulting	-	-	2,161	-
<b>Exploration and evaluation expenditures</b>	<b>\$ 9,585</b>	<b>\$ 9,101</b>	<b>\$ 29,520</b>	<b>\$ 31,649</b>

<sup>1</sup>Includes property taxes paid on Martison mining leases and land in Brandon, Manitoba prior to the closing of the land sale on March 20, 2018.

## 10. RELATED PARTY TRANSACTIONS

### (a) Director and executive compensation

Director and executive compensation for the periods ended July 31, 2019 and 2018 consisted of the following:

	Three months ended Jul. 31, 2019	Three months ended Jul. 31, 2018	Nine months ended Jul. 31, 2019	Nine months ended Jul. 31, 2018
Cash compensation	\$ 25,500	\$ 25,500	\$ 76,500	\$ 56,500
<b>Total</b>	<b>\$ 25,500</b>	<b>\$ 25,500</b>	<b>\$ 76,500</b>	<b>\$ 56,500</b>

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the nine months ended July 31, 2019**  
(unaudited)

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**10. RELATED PARTY TRANSACTIONS (continued)**

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**(b) Director and executive transactions**

The aggregate value of transactions and outstanding balances relating to entities over which directors and executive management have control or significant influence were as follows:

	Note	Transaction value		Balance outstanding	
		9 mo. ended Jul. 31, 2019	9 mo. ended Jul. 31, 2018	Jul. 31, 2019	Jul. 31, 2018
Consulting fees	(i)	\$ 76,500	\$ 56,500	\$ -	\$ -
Exploration and evaluation expenditures	(ii)	16,200	16,200	-	-
<b>Total</b>		<b>\$ 92,700</b>	<b>\$ 72,700</b>	<b>\$ -</b>	<b>\$ -</b>

- (i) The Company pays consulting fees of \$5,000 per month to Stephen Case, the Chief Executive Officer and a Director, and \$3,500 per month to Fraser Laschinger, the Chief Financial Officer.
- (ii) The Company pays rent of \$1,800 per month for the storage of drill core and supplies to D&S McKinnon Holdings Limited, a corporation controlled by a relative of Gordon McKinnon, a Director of the Company.

**11. COMMITMENTS AND CONTINGENCIES**

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**(a) Mining leases**

The Company has three 21-year mining leases with the Province of Ontario which grant the Company surface and mining rights to the Project. One of the mining leases commenced on August 1, 2002 and the remaining two on May 1, 2011. The aggregate annual payment for the three leases is estimated to be approximately \$13,000.

**12. CAPITAL MANAGEMENT**

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The Company's capital structure consists of shareholder's equity, which amounted to \$ 992,864 on July 31, 2019. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. Neither the Company nor its subsidiary is subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended July 31, 2019.

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the nine months ended July 31, 2019**  
(unaudited)

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**13. FINANCIAL RISK FACTORS**

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The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

**(a) Credit risk**

The Company's credit risk is primarily attributable to accounts receivable which consist primarily of Harmonized Sales Tax receivable. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

**(b) Liquidity risk**

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to fund its liabilities as they become due. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. As at July 31, 2019, the Company had cash and cash equivalents of \$ 914,667 to settle current liabilities of \$ 2,827 .

**(c) Interest rate risk**

The Company has cash balances and no interest-bearing debt. Interest rate risk is remote.

**(d) Market price risk**

The Company is indirectly exposed to price risk with respect to the price of phosphate products. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

**14. EVENTS AFTER THE REPORTING PERIOD**

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On August 1, 2019, the Company announced the passing of Gordon McKinnon, a member of the Board of Directors.

On August 20, 2019, Elizabeth Leonard was appointed to the Company's Board of Directors. Concurrent with the appointment, Ms. Leonard was granted 500,000 share options exercisable at \$0.07 per share for a period of five years.



# **Fox River Resources Corporation**

## **Management's Discussion and Analysis**

### **For the Three and Nine Months Ended July 31, 2019**

This Management's Discussion and Analysis ("MD&A") of Fox River Resources Corporation ("Fox River" or the "Company") is dated September 26, 2019 and provides an analysis of the Company's performance and financial condition for the three and nine months ended July 31, 2019, as well as an analysis of future prospects. This MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended July 31, 2019 and the audited consolidated financial statements for the year ended October 31, 2018 and the notes thereto, that have been prepared in accordance with International Financial Reporting Standards ("IFRS"). These documents, along with others published by the Company, are available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com).

All amounts referred to in this MD&A are prepared in accordance with IFRS and presented in Canadian dollars, unless otherwise indicated.

#### **Company Information**

Fox River Resources Corporation was incorporated pursuant to the Canada Business Corporations Act (the "CBCA") under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 350 Bay Street, Suite 700, Toronto, Ontario M5H 2S6. The Company has one wholly owned subsidiary: Baltic Resources Inc. ("Baltic").

#### **Overview**

Fox River is engaged in the exploration and evaluation of the Martison phosphate project. As at the date of this MD&A, the Company's primary assets are cash and cash equivalents and a 100% interest in the Martison phosphate project.

The Company's strategy is to create shareholder value through the further exploration and evaluation of the Martison Project, either by itself or in conjunction with a strategic partner, and through the potential acquisition, exploration, advancement and development of other mineral properties.

#### **Recent Activity**

On February 2, 2016, Fox River became a standalone entity by way of an arrangement (the "Arrangement") entered into among PhosCan Chemical Corp. ("PhosCan"), Petrus Resources Ltd. ("Petrus"), Petrus Acquisition Corp. ("New Petrus") and the Company.

On April 1, 2016, the Company issued 2,200,000 share purchase options exercisable at \$0.05 per share for a period of five years to officers and directors of the Company.

On April 6, 2016, the Company issued 1,331,250 common shares, with an aggregate value of \$53,249, to extinguish a liability relating to the payment of fair value to a dissenting PhosCan shareholder under the Arrangement.

On April 11, 2016, the Company re-issued the NI 43-101 Technical Report on the Martison Phosphate Project.

On April 20, 2016, the Company closed a non-brokered private placement of 6,000,000 common shares at a price of \$0.035 per share for gross proceeds of \$210,000.

On February 6, 2018, the Company entered into a binding agreement with an arm's length third party to sell the 71 acres of land the Company owned in the City of Brandon, Manitoba for gross proceeds of \$1,000,000 before transaction costs.

On March 20, 2018, the Company closed the sale of land in the City of Brandon, Manitoba.

On August 20, 2019, Elizabeth Leonard was appointed to the Company's Board of Directors and granted 500,000 share options exercisable at \$0.07 per share for a period of five years.

### Summary of Quarterly Results

The following is a summary of the Company's financial results for the previous four quarters:

	<b>May 1, 2019 to Jul. 31, 2019</b>	<b>Feb. 1, 2019 to Apr. 30, 2019</b>	<b>Nov. 1, 2018 to Jan. 31, 2019</b>	<b>Aug. 1, 2018 to Oct. 31, 2018</b>
<b>(\$)</b>				
Total revenues	-	-	-	-
Net income (loss)	(28,401)	(58,813)	(46,109)	(66,512)
Net income (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	995,691	1,040,030	1,092,211	1,152,140
Long-term debt	-	-	-	-
Shareholder's equity	992,864	1,021,265	1,080,078	1,126,187
Cash dividends declared per common share	-	-	-	-

### Results of Operations

For the nine months ended July 31, 2019, the Company incurred a loss of \$133,323, or a basic and diluted loss of \$0.003 per share. During the nine months ended July 31, 2018, the Company generated income of \$363,793 or basic and diluted income of \$0.009 per share.

The Company successfully kept operating costs to a minimum during the period. Administration expenses of \$30,227 (2018 - \$27,801) were in line with management's expectation and included rent, utilities, bank charges, corporate secretarial and insurance. Consulting fees of \$76,500 (2018 - \$56,500) consisted of remuneration to the Company's CEO and CFO, and were higher relative to the previous period because the Company began paying the CEO monthly consulting fees of \$5,000 effective March 1, 2018. Professional fees of \$2,019 consisted of legal fees, and were in line with expectations (2018 - \$4,817). Exploration and evaluation expenditures for the period totaled \$29,520, which was in line with expectation (2018 - \$31,649). Property taxes, which are included under exploration expenditures, were lower following the sale of the Company's land holding in Brandon, MB. Shareholder information expense of \$25,097 consisted primarily of CSE listing fees, annual shareholder meeting costs, transfer agent fees, and filing fees. These costs were similar to the \$23,970 incurred in the prior year. During the nine months ended July 31, 2019, the Company earned \$14,518 in interest income, up from \$5,973 in the comparative period. In addition, the Company had an unrealized gain on marketable securities of \$15,522 (2018 – nil).

## **Liquidity and Financial Position**

As at July 31, 2019, Fox River had \$987,864 in working capital (October 31, 2018 - \$1,121,187), including cash and cash equivalents of \$914,667 (October 31, 2018 - \$1,136,298) and no debt. The Company estimates that its corporate and general costs to maintain the Martison Project and the requirements of a reporting issuer for the next twelve months will total approximately \$260,000. The Company currently has sufficient working capital to fund its corporate and general costs over the next twelve months. The Company may seek to monetize its interest in its asset or raise additional capital in the next year.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its mining interest expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. Accordingly, the Company's financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the financial statements.

## **Share Capital**

During the nine months ended July 31, 2019, no additional common shares of the Company were issued.

On November 12, 2015, 1 common share was issued on incorporation.

On February 2, 2016, 33,947,276 common shares were issued pursuant to the closing of the Arrangement.

On April 1, 2016, the Company granted 2,200,000 incentive stock options, exercisable at \$0.05 per share for a period of five years, to officers and directors of the Company.

On April 6, 2016, the Company issued 1,331,250 common shares, with an aggregate value of \$53,249, to extinguish a liability relating to the Arrangement.

On April 20, 2016, the Company closed a non-brokered private placement of 6,000,000 common shares at a price of \$0.035 per share or gross proceeds of \$210,000. In connection with the private placement, the Company incurred legal fees of \$10,026.

On August 20, 2019, the Company issued 500,000 incentive stock options, exercisable at \$0.07 per share for a period of five years, to a director of the Company.

As at September 26, 2019, the Company's share capital consisted of:

Common shares outstanding:	41,278,527
Stock options outstanding:	2,700,000

## Exploration and Evaluation Expenditures

During the nine months ended July 31, 2019, the Company incurred a total of \$29,520 in exploration and evaluation expenditures relating to the Martison Phosphate Project.

A breakdown of the exploration expenditures by category for the previous four quarters is provided below:

(\$)	May 1, 2019 to Jul. 31, 2019	Feb. 1, 2019 to Apr. 30, 2019	Nov. 1, 2018 to Jan. 31, 2019	Aug. 1, 2018 to Oct. 31, 2018
Leases and property taxes	4,185	4,270	2,704	3,022
Storage and rent	5,400	5,400	5,400	5,400
Travel and transportation	-	-	-	-
Technical and consulting	-	1,350	811	-
Consultation	-	-	-	-
<b>Total expenditures</b>	<b>9,585</b>	<b>11,020</b>	<b>8,915</b>	<b>8,422</b>

## Martison Phosphate Project

The Martison phosphate project (the "Project") is located about 70 kilometers northeast of the town of Hearst, in north-central Ontario and is close to rail, power, highway, and other infrastructure. The Project contains a major carbonatite (igneous carbonate-rich) pipe capped by a residual deposit (residuum) enriched in phosphate and niobium minerals. The Project mining leases and claims cover a contiguous area of approximately 8,256 ha. Additional information can be found under Fox River's profile on SEDAR, including the NI 43-101 Technical Report dated April 11, 2016.

### *Regional Geology*

The Martison phosphate deposit lies in a geological province referred to as Precambrian volcanic and metamorphic rock sequences, which are over one billion years in age. The occurrence of carbonatite deposits is the result of late magmatic injections of carbon dioxide gases, calcium and magnesium carbonate solutions, including associated crystalline apatite, magnetite and mica minerals, through conduits into volcanic vents. The subsequent exposure of the carbonatite rock for long periods of time to erosion and chemical weathering has resulted in the thick accumulation of a palaeo-soil residue called a "residuum" which has concentrations of relatively insoluble minerals such as phosphate bearing apatite, lying on top of the competent and largely unweathered surface of the carbonatite.

The Martison carbonatite is one of 50 known locations of the Central Ontario Carbonatite Complex found on the Kapuskasing structural high (located 110 km east of the Martison Project) to the Albany Forks structural high, (located 260 km west of the Martison Project). Almost all of the carbonatite bodies occur along recognisable major tectonic features.

A number of complexes have been examined for their mineral potential. They all contain apatite in the carbonatite phase between 5% to 25%, and some contain significant enrichments of apatite through leaching out of carbonates. Such enrichment occurs on the Cargill Limited complex, located on a branch structure off the Kapuskasing structural high and at the Martison phosphate deposit.

### *Property Geology*

Differential weathering of the Martison Carbonatite Complex has resulted in an irregular weathered 'karst' type surface of carbonatite, the depth of which varies greatly over short distances. Depressions in this carbonate rich surface are filled with the weathered breakdown product of the carbonatite, the 'Residuum'. This apatite rich Residuum represents the bulk of the phosphatic material of economic interest. Above the residuum lies a less consistent layer of lateritic material containing niobium mineralisation also at levels of economic interest. More recent glacial deposits, typical of the James Bay Lowlands, form a blanket of glacial till over the residuum / laterite sub-outcrop reaching up to 80 m in depth.

### *Mineralization*

Apatite is the principal phosphate bearing mineral of economic interest within the residuum. The laterite is enriched in niobium, typically found in the form of pyrochlore, its occurrence is also of economic interest. Both the phosphate and the niobium have been the subject of significant drilling and metallurgical test work to establish if they may be extracted economically.

### **Capital Management**

In managing its capital, the Company's primary objective is to ensure the entity can continue as a going concern as well as to provide optimal returns to its shareholders, in the long term. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of properties for the mining of minerals that are economically recoverable. The Board of Directors does not establish quantitative returns on capital criteria for management due to the nature of the industry, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company considers its capital to be equity, which is comprised of share capital, reserves and accumulated deficit, which at July 31, 2019 totaled \$992,864 (October 31, 2018 - \$1,126,187).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the Company's relative size, is reasonable. The Company is not subject to externally imposed capital requirements.

### **Outlook, Risks and Uncertainties**

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of Fox River and could cause Fox River's operating and financial performance to differ materially from the estimates described in forward looking statements related to Fox River. These include widespread risks associated with any form of business and specific risks associated with Fox River's business and its involvement in the mineral exploration and development industry. An investment in the Fox River Shares, as well as Fox River's prospects, are highly speculative due to the high risk nature of its business and the present stage of its operations. Fox River Shareholders may lose their entire investment. The risks described below are not the only ones facing Fox River. Additional risks not currently known to Fox River, or that Fox River currently deems immaterial, may also impair Fox River's business or operations. If any of the following risks actually occur, Fox River's business, financial condition, operating results and prospects could be adversely affected.

### *Martison Phosphate Project*

The Company believes it is prudent to continue to preserve its cash until it has reasonable confidence that it can secure suitable financing to proceed with the exploration and evaluation of the Project and develop it to commercial production. However, there can be no assurance that the Company will proceed with exploration, evaluation and development of the Project, that the Company will be able to obtain adequate debt and equity financing to explore, evaluate and develop the Project, or that the terms of such financing will be favourable. Failure to obtain additional financing could result in the delay or indefinite postponement of further advancement of the Project.

### *No History of Profitability*

The Company is an exploration and evaluation stage company with no history of revenues or profitability. There can be no assurance that the operations of Fox River will be profitable in the future. The Company will require additional financing to further explore, develop, acquire, and achieve commercial production on its property interests and, if financing is unavailable for any reason, Fox River may become unable to acquire and retain its property interests and carry out its business plan.

### *Nature of Mineral Exploration and Development*

Fox River is engaged in the business of exploring and evaluating the Martison Project, which is a highly speculative endeavour. Fox River's viability and potential success lie in its ability to explore and evaluate, develop, exploit and generate revenue out of the Martison Project. The exploration and evaluation and development of mineral deposits involve significant financial risks over a significant period of time which even a combination of careful analyses, experience and knowledge may not eliminate. While discovery of a mine may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current or any future programs on the Martison Project will result in a profitable commercial mining operation.

### *Fluctuating Prices*

Factors beyond the control of Fox River may affect the marketability of any products produced. The prices for phosphate concentrate, phosphoric acid and phosphate fertilizers have fluctuated widely and are affected by numerous factors beyond Fox River's control. The effect of these factors cannot be accurately predicted.

### *Competition*

The chemical and fertilizer business is competitive in all of its phases. Fox River competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Fox River, in the development of the Martison Project, and in the search for markets for any products which may be produced. There is no assurance that Fox River will continue to be able to compete successfully with its competitors in developing the Martison Project or finding markets for the products which may be produced.

### *Indemnified Liability Risk*

Pursuant to the Arrangement Agreement, Fox River has covenanted and agreed that, following the completion of the Arrangement, it will indemnify PhosCan, Petrus, New Petrus and their subsidiaries,

affiliates, directors, officers, partners, employees, advisors, shareholders and agents (each an "Indemnified Party") from any and all direct or indirect liabilities, claims, demands, taxes, losses, costs, damages, penalties and expenses (including legal fees and expenses but excluding loss of profits and consequential damages) to which an Indemnified Party may be subject or may suffer, whether under the provisions of any court action, statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of the certain items.

Fox River will remain liable under this indemnity for five years following the completion of the Arrangement. Because of Fox River's limited financial resources, any requirement to indemnify under these provisions could have a material adverse effect on the ability of Fox River to carry out its business plan.

#### *Conflicts of Interest*

Certain of the directors and officers of Fox River also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving Fox River should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Fox River and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the CBCA and other applicable laws.

#### **Related Party Transactions**

Through the normal course of business, the following related party transactions occurred during the nine months ended July 31, 2019:

- The Company paid consulting fees of \$3,500 per month to Fraser Laschinger, the Chief Financial Officer, for a total of \$31,500.
- The Company paid consulting fees of \$5,000 per month to Stephen Case, the Chief Executive Officer and a Director, for a total of \$45,000.
- The Company paid rent of \$1,800 per month for the storage of drill core, supplies and equipment to D&S McKinnon Holdings Limited, a corporation controlled by a relative of Gordon McKinnon, a Director of the Company, for a total of \$16,200.

#### **Financial Instruments**

As at July 31, 2019, Fox River's financial instruments primarily consisted of cash and Canadian dollar-denominated short-term fixed-income instruments such as GICs and high-interest savings accounts.

Due to the short-term nature and high liquidity of the fixed-income instruments, the Company estimates that the fair values are equal to their carrying values and classifies these financial instruments as cash and cash equivalents within current assets.

The material risk associated with the Company's financial instruments is counterparty risk. The Company manages its counterparty risk by monitoring the credit worthiness of its Canadian financial institution counterparts to ensure they meet the minimum investment-grade criteria.

### **Off-Balance Sheet Transactions**

The Company has not entered into any off-balance sheet arrangements.

### **Proposed Transactions**

The Company is not a party to any proposed transactions.

### **Critical Accounting Policies and Estimates**

#### *Mineral Properties and Exploration Expenditures*

The Company expenses all costs relating to the acquisition of, exploration for and development of mineral claims and credits all revenues received against the exploration expenditures. Such costs include, but are not limited to geological, geophysical studies, exploratory drilling and sampling.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized; this includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

#### *Share Based Payments*

The share option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

#### *Use of Estimates*

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

The areas involving accounting estimates for the Company are as follows: share based payments and accrued liabilities.

### **Changes in Accounting Policies**

The Company adopted the following standard during the nine months ended July 31, 2019.

IFRS 9 Financial Instruments uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also



requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The effective date for the application of IFRS 9 was November 1, 2018. The Company's adoption of IFRS 9 did not have a material impact upon the condensed interim consolidated financial statements.

### **Future Accounting Changes**

*IFRS 16 Leases* is described in the Company's financial statements and related notes for the nine months ended July 31, 2019.

### **Disclosure Controls and Internal Controls Over Financial Reporting**

The Company's management is responsible for the preparation and fair presentation of the consolidated financial statements and MD&A. Accordingly, the Company's management has established systems, controls and procedures to collect, record, process, summarise and report necessary financial data in its financial statements and MD&A on a timely basis.

The Company's Chief Executive Officer and Chief Financial Officer (the "Officers") are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). The Officers have:

- Designed DC&P, or caused it to be designed under their supervision, to provide reasonable assurance that material information relating to the Company is made known and information required to be disclosed in its consolidated financial statements and MD&A are filed under securities legislation and recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- Designed ICFR, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Officers evaluate the Company's internal controls on a regular basis.

### **Forward-looking Statements**

This MD&A contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performances of Fox River; the Project; the future supply, demand, inventory, production and price of phosphate and other commodities; the estimation of mineral reserves and resources; the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures; requirements for additional capital for the Project; government regulation, including permitting, of mining and chemical operations; environmental risks, reclamation and rehabilitation expenses; title disputes, claims and First Nations agreements; limitations of insurance coverage and the timing and possible outcome of litigation and regulatory matters; the ability to attract and retain personnel; labour relations; the ability to engage and retain outside contractors, experts and other advisors and their efforts and abilities; and currency exchange rates, in particular the Canadian dollar relative to the U.S. dollar. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual

results, performance or achievements of Fox River to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, those factors discussed in the section entitled "*Outlook, Risks and Uncertainties*" in this MD&A. Although Fox River has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A based on the opinions and estimates of management, and Fox River disclaims any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, potential investors should not place undue reliance on forward-looking statements.