ONE WORLD LITHIUM INC.

(Formerly One World Minerals Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

(In Canadian Dollars)

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Independent Auditor's Report

To the Shareholders of One World Lithium Inc.

Opinion

We have audited the consolidated financial statements of One World Lithium Inc. and its subsidiaries ("the Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2018 and 2017 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has a working capital deficit of $818,706 and an accumulated deficit of $14,841,187. As stated in Note 1 these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion & Analysis for the year ended December 31, 2018.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management's Discussion & Analysis for the year ended December 31, 2018 prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Jeremy East.

(signed) "BDO CANADA LLP"

Chartered Professional Accountants
Vancouver, British Columbia
April 30, 2019

ONE WORLD LITHIUM INC.
(formerly One World Minerals Inc.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	December 31, 2018 ($)	December 31, 2017 ($)
Assets			
Current Assets			
Cash		107,654	46,409
Receivables		47,298	9,464
Prepaids		4,893	-
		159,845	55,873
Non - Current Assets			
Equipment		-	-
Exploration and evaluation assets	5	3,107,654	2,810,664
Exploration and evaluation assets advance	5	208,817	264,703
		3,476,316	3,131,240
Liabilities & Shareholders' Equity			
Current Liabilities			
Accounts payable and accrued liabilities	6,11	673,762	775,005
Loans payable	7	102,939	56,425
Share subscriptions	10	92,000	668,200
Credit facility	9	109,850	-
		978,551	1,499,630
Long -Term Liabilities			
Credit facility		-	74,350
		978,551	1,573,980
Shareholders' Equity			
Share capital	10	16,359,655	13,350,994
Share-based payments reserve	10	912,342	978,740
Reserve- warrants	10	66,955	55,555
Deficit		(14,841,187)	(12,828,029)
		2,497,765	1,557,260
		3,476,316	3,131,240

The accompanying notes are an integral part of the consolidated financial statements

Nature of operations and going concern (Note 1)
Subsequent Events (Note 15)

Approved on behalf of the Board by:

"Douglas Fulcher"	*"Kevin Milledge"*
Douglas Fulcher, Director	Kevin Milledge, Director

ONE WORLD LITHIUM INC.

(formerly One World Minerals Inc.)

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

		Year ended December 31	
	Note	**2018**	**2017**
		($)	**($)**
EXPENSES			
Consulting fees		660,579	223,865
Exploration and evaluation expense and impairment	5	729,269	716,538
Foreign exchange loss (gain)		30	(8,297)
Interest, accretion and financing costs	7,8,9	57,846	63,639
Investor relations		74,838	3,775
Legal		32,832	39,509
Management fees	11	160,000	60,000
Office, rent and phone		99,657	81,759
Professional fees		157,848	115,409
Share based payments	10c	219,229	968,400
Transfer agent and filing fees		54,122	35,410
		2,246,250	2,300,007
Gain on debt settlement	11	(60,090)	(14,571)
Net Loss and Comprehensive Loss		**(2,186,160)**	**2,285,436**
Basic and Diluted Loss per Common Share		(0.03)	(0.05)
Weighted Average Number of Shares Outstanding		72,806,879	47,521,255

The accompanying notes are an integral part of the consolidated financial statements

ONE WORLD LITHIUM INC.

(formerly One World Minerals Inc.)

Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

	Share Capital					
	Shares	**Amount**	**Warrants**	**Share-based payments reserve**	**Deficit**	**Total shareholders' equity**
	(#)	**($)**	**($)**	**($)**	**($)**	**($)**
Balance - December 31, 2016	**5,055,506**	**8,430,700**	**-**	**10,340**	**(10,542,593)**	**(2,101,553)**
Common shares issued for debt	30,876,737	1,543,837	-	-	-	1,543,837
Common shares issued for Mogollon option assignment	1,500,000	75,000	-	-	-	75,000
Common shares issued for option assignment	5,000,000	200,000	-	-	-	200,000
Convertible debentures	10,329,140	516,457	-	-	-	516,457
Common shares issued for option and joint venture assignment	11,000,000	2,585,000	-	-	-	2,585,000
Warrants	-	-	55,555	-	-	55,555
Share based payments	-	-	-	968,400	-	968,400
Net loss for the year	-	-	-	-	(2,285,436)	(2,285,436)
Balance - December 31, 2017	**63,761,383**	**13,350,994**	**55,555**	**978,740**	**(12,828,029)**	**1,557,260**
Common shares upon private placement (net)	18,664,165	2,797,336	-	-	-	2,797,336
Issued for cash, upon exercise of stock options	251,000	12,700	-	-	-	12,700
Common shares issued for debt	160,000	24,000	-	-	-	24,000
Common shares issued for property	400,000	62,000	-	-	-	62,000
Warrants	-	-	11,400	-	-	11,400
Reclassification adjustment upon exercise of stock options	-	112,625	-	(112,625)	-	-
Share based payments	-	-	-	219,229	-	219,229
Transfer of share based payments expired	-	-	-	(173,002)	173,002	-
Net loss for the year	-	-	-	-	(2,186,160)	(2,186,160)
Balance - December 31, 2018	**83,236,548**	**16,359,655**	**66,955**	**912,342**	**(14,841,187)**	**2,497,765**

The accompanying notes are an integral part of the consolidated financial statements

ONE WORLD LITHIUM INC.

(formerly One World Minerals Inc.)

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year ended December 31	
	2018	**2017**
	($)	**($)**
OPERATING ACTIVITIES		
Net loss for the year	(2,186,160)	(2,285,436)
Items not affecting cash:		
Gain on debt settlement	(60,090)	(14,571)
Interest and financing costs	57,846	29,905
Share based payments	219,229	968,400
Impairment of Mogollon Property	19,361	604,880
Foreign exchange gain	-	(8,297)
Changes in non-cash working capital:		
Receivables	(37,834)	(9,464)
Prepaid expenses	(4,893)	7,518
Accounts payable and accrued liabilities	(26,584)	737,428
	(2,019,125)	30,363
INVESTING ACTIVITIES		
Exploration and evaluation assets	(254,351)	(543,813)
Exploration and evaluation advance	55,885	(264,703)
	(198,466)	(808,516)
FINANCING ACTIVITIES		
Loan proceeds	50,000	55,000
Loans paid	(5,000)	-
Credit facility proceeds	-	100,000
Securities issued for exercise of options	12,700	-
Securities issued for cash	2,131,475	-
Share issuance costs	(2,339)	-
Share subscriptions	92,000	668,200
	2,278,836	823,200
Increase in cash for the year	61,245	45,047
Cash - beginning of the year	46,409	1,362
Cash - end of year	107,654	46,409
Supplemental disclosures		
Fair value of warrants issued for credit facility	-	55,555
Fair value of warrants issued to lender	11,400	-
Fair value of common shares issued for option assignment	62,000	200,000
Fair value of common shares issued for option and joint venture assignment	-	2,585,000
Common shares issued to settle debt and accounts payable	24,000	1,543,837
Common shares issued for option agreement assignment - Mogollon	-	75,000
Common shares issued on conversion of convertible debt	-	516,457

The accompanying notes are an integral part of the consolidated financial statements

1. Nature of operations and going concern

One World Lithium Inc., together with its subsidiary (collectively referred to as the "Company") was incorporated under the laws of the province of British Columbia on November 9, 1982. The Company is focused on the acquisition, exploration and development of resource properties in Mexico and the United States. The Company is considered to be in the exploration stage. The Company's head office and records offices are located at Suite 615, 800 West Pender Street, Vancouver, British Columbia, V6C 2V6. On February 28, 2017, the Company voluntarily delisted its common shares from the NEX Board of the TSX Venture Exchange ("Exchange"). On February 28, 2018, One World Lithium Inc. began trading on the Canadian Securities Exchange ("CSE") at market open under the trading symbol OWM. On January 19, 2018, the Company changed its name to One World Lithium Inc. to align with its primary exploration and evaluation asset.

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

At December 31, 2018, the Company has a working capital deficit of $818,706, and had an accumulated deficit of $14,841,187 and expects to incur further losses, all of which indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it 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 identify, evaluate and negotiate the acquisition of, participation in or interest in new properties, assets or business opportunities, and raise additional funds by way of equity financings. Any acquisition may be subject to shareholder and regulatory approval and obtaining the necessary financing. Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain operations may be impaired. The available funds at December 31, 2018 are $107,654 and are insufficient to continue operations for the ensuing year. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be successful in doing so in the future. The Company closed the second tranche of its non- brokered private placement raising $525,675 in April 2019. The proceeds will assist the Company in continuing its activities for the next twelve months.

2. Statement of compliance

Basis of preparation

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies set out in Note 3 have been applied consistently to all years presented in these consolidated financial statements unless otherwise indicated.

Basis of consolidation
These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries as follows:

Entity	Place of Incorporation	Ownership Percentage
Lithium Investments Ltd.	Canada	100%

Foreign currencies
The presentation and functional currency of the Company and its subsidiary is the Canadian dollar. Transactions in currencies other than the Canadian dollar are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

These consolidated financial statements were authorized for issuance by the Board of Directors on April 30, 2019.

3. Significant accounting policies

The consolidated financial statements have been prepared using the historical cost basis, except for certain financial instruments which are stated at fair value.

(a) Critical accounting judgements and estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical judgments exercised in the application of accounting policies and estimates having the most significant effects on the amounts recognized in these financial statements include:

Impairment of mineral properties – Expenditures on mineral properties are expensed. The Company makes estimates and applies judgment about future events and circumstances in determining whether the carrying amount of a mineral property exceeds its recoverable amount. The recoverability of amounts shown as exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the Company's ability to obtain financing to develop the properties, and the ultimate realization of profits through future production or sale of the properties. Management looks for impairment indicators and then reviews the carrying values of its mineral properties on an annual basis, or when an impairment indicator exists, to determine whether an impairment should be recognized. In making its assessment, management considers, among other things, exploration results to date and future exploration plans for a particular property. In addition, capitalized costs related to relinquished property rights are written off in the period of relinquishment. Capitalized costs in respect of the Company's mineral properties may not be recoverable and there is a risk that these costs may be written down in future periods. Due to uncertainty in the Company making certain option payments under the Mogollon Property (Note 5), management has recorded an impairment provision of $19,361 for 2018 (2017: $604,880) against the carrying amount of the property.

Determining if an acquisition is a business combination or an asset acquisition – With each acquisition, the Company has to determine whether it should be accounted for as a business combination or an asset acquisition. As dictated by IFRS 3, Business Combinations, the components of a business must include inputs, processes and outputs. Management has assessed its acquisition of Lithium Investments Ltd. During the year ended December 31, 2017 and has concluded that it did not include all the necessary components of a business. As such, it has been recorded as an asset acquisition, being the purchase of mineral properties and/or working capital.

Going Concern Assumption – The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

While management believes that these estimates, critical judgement and assumptions are reasonable, actual results could differ and could impact future results of operation and cash flows.

(b) Cash

Cash consists of cash on hand and demand deposits that are subject to an insignificant risk of change in value.

(c) Exploration and evaluation ("E&E") assets

Exploration and evaluation expenditures are expensed as incurred, until the property reaches development stage. The development stage begins once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable.

E&E acquisition costs: All direct costs related to the acquisition of mineral property interests (E&E Assets) are capitalized into intangible assets on a property by property basis. Expenditures made in connection with a right to acquire a property and or explore in an exploration area for a period in excess of one year, are capitalized. Mineral property acquisition costs include cash costs and the fair market value of common shares, based on the trading price of the shares issued for mineral property interests, pursuant to the terms of the related property agreements. Payments related to a property acquired under an option or joint venture agreement are made at the sole discretion of the Company and are recorded as mineral property acquisition costs upon payment.

E&E exploration expenditures: Exploration costs, net of incidental revenues, are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated reserves as the depletion base.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments and government assistance are recorded as property costs or recoveries when the payments are made or received.

(d) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest.

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its former properties that may result in material liability to the Company. The impact of new and future environmental legislation on the Company’s operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource properties, the potential for production on the properties may be diminished or negated.

(e) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(f) Financial instrument classification and measurement

Financial assets are classified according to their contractual cash flow characteristics and the business models under which they are held. On initial recognition, a financial asset is classified as: amortized cost, fair value through profit or loss (FVPL) or fair value through other comprehensive income (FVOCI).

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVPL:

- it is held with the objective of collecting contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis. All financial assets not classified as amortized cost or FVOCI are classified as and measured at FVPL. This includes all derivative assets. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI may be irrevocably designated as FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as FVPL, directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial asset has been classified as amortized cost, FVPL or FVOCI. Measurement of financial liabilities subsequent to initial recognition depends on whether they are classified as amortized cost or FVPL. Financial assets and financial liabilities classified as amortized cost are measured subsequent to initial recognition using the effective interest method.

Loss allowances for 'expected credit losses' are recognized on financial assets measured at amortized cost, contract assets and investments in debt instruments measured at FVOCI, but not to equity investments. A loss event is not required to have occurred before a credit loss is recognized.

The Company has classified and measured its financial instruments as described below:

- Cash and cash equivalents and receivables, are classified as and measured at amortized cost.
- Accounts payable and accrued liabilities, loans payable, shares subscriptions and other payables are classified as and measured at amortized cost. Borrowings and other financial liabilities are classified as current or non-current based on their maturity date. The liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

(g) Income taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry-forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized.

When applicable, deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(h) Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. The Board of Directors grants such options for periods of up to ten years, with vesting periods determined at its discretion and at prices not less than the closing market price on the grant date.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period during which the options are earned. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number at options that vest. For directors and employees, the fair value of the options is measured at the date of grant. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The offset to the recorded cost is to share-based payments reserve. Consideration received on the exercise of stock options is recorded as share capital and the related share-based payments reserve is transferred to share capital. Upon expiry, the recorded value is transferred to accumulated deficit.

(i) Flow-through shares and unit offerings

At the time of closing a financing involving flow-through shares, the Company allocates the gross proceeds received (i.e. the “flow-through share premium”) as follows:

- Share capital – the market value of non-flow-through share
- Flow-through share premium – recorded as a liability and equal to the estimated premium, if any, investors pay for the flow-through feature based on the residual value method.
- Warrants – recorded as reserves based on the residual value method.

Thereafter, as qualifying resource expenditures are incurred, these costs are expensed and the flow-through share premium is amortized to profit or loss.

At the end of each reporting period, the Company reviews its tax position and records an adjustment to its deferred tax expense/liability accounts for taxable temporary differences, including those arising from the transfer of tax benefits to investors through flow-through shares.

For this adjustment, the Company considers the tax benefits (of qualifying resource expenditures already incurred) to have been effectively transferred, if it has formally renounced those expenditures at any time (before or after the end of the reporting period).

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued and recorded to profit or loss.

(j) Loss per share

Loss per share is calculated using the weighted average number of common shares outstanding during the period. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to re-purchase common shares for years presented at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of conversions of convertible debt or exercise of options and warrants as they would be anti-dilutive.

Shares subject to escrow restrictions are excluded from the weighted average number of common shares unless their release is subject only to the passage of time.

(k) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration of each business combination is measured, at the date of the exchange, as the aggregate of the fair value of assets given, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the a15cquiree. Under the guidance of IFRS 10, Consolidated Financial Statements, control is established by having power over the a15cquiree, exposure or rights to variable returns from its involvement with the a15cquiree, and the ability to use its power over the 15acquire to affect the amount of the acquiror's returns. The 15acquiree's identifiable assets, liabilities and contingent liabilities are recognized at their fair value at the acquisition date. During the year ended December 31, 2017, the Company's acquisition of Lithium Investments Ltd. Was recorded as an asset acquisitions given that it was not considered to be a business when applying the guidance within IFRS 3, Business Combinations ("IFRS 3").

(l) Segmented information

The Company has one operating segment, mineral exploration and development of lithium and operates in three geographical segments, being Canada, United States and Mexico.

(m) Adoption of new and revised standards and interpretations

The Company has adopted the following new standards, along with any consequential amendments, prior to or effective January 1, 2018. These changes were made in accordance with the applicable transitional provisions and did not impact the Company's consolidated financial statements.

IFRS 2 *Share-based Payments*
The IASB issued amendments to IFRS 2 in relation to classification and measurement of share-based payment transactions. The amendments address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction, the classification of a share-based payment transaction with net settlement features for withholding tax obligations, and the accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2018. The application of IFRS 2, did not impact the Company's consolidated financial statements.

IFRS 9 *Financial Instruments*
IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 utilizes a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. 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. It also introduces a new expected loss impairment model and limited changes to the classification and measurement requirements for financial assets. On adoption of IFRS 9, in accordance with its transitional provisions, the Company has not restated prior periods but has reclassified the financial assets held at January 1, 2018, retrospectively, based on the new classification requirements and the characteristics of each financial instrument as at the transition date. For financial liabilities, IFRS 9 retains most of the IAS 39 requirements.

IFRS 15 *Revenue from Contracts with Customers*
IFRS 15 will replace IAS 18 Revenue, IAS 11 Construction Contracts, and related interpretations on revenue. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Application of the standard is mandatory for annual periods beginning on or after January 1, 2018, with early application permitted. The Company adopted this standard on January 1, 2018, using the modified retrospective approach. The adoption of IFRS 15 did not have an impact on the Company's consolidated financial statements and there was no transitional adjustment recorded on adoption.

(n) Standards issued but not yet effective

The standards and interpretations that are issued up to the date of issuance of the Company's consolidated financial statements, but were not effective for the year ended December 31, 2018, are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 16 *Leases*
IFRS 16 will replace IAS 17 Leases. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Application of the standard is mandatory for annual periods beginning on or after January 1, 2019, with early application permitted. The Company does not expect this new standard to have significant financial reporting implications, as currently, no lease agreements within the scope of IFRS 16 have been entered into.

4. Financial risk management

(a) Credit risk
Credit risk is the risk that a counter party to a financial instrument will fail to discharge its contractual obligations. The Company is not exposed to significant credit risk and overall the Company's credit risk has not changed significantly from the prior year.

(b) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company is exposed to liquidity risk and has disclosed a going concern uncertainty in Note 1 of the consolidated financial statements.

The Company's current and expected remaining contractual maturities for its financial liabilities with agreed repayment periods are presented below. The table includes the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to satisfy the liabilities.

As at December 31, 2018	1 - 3 months $
Accounts payable and accrued liabilities	673,762
Loan payable	102,939
Share subscriptions	92,000
Credit facility	109,850
	978,551

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises two types of risk: interest rate risk, and foreign currency risk. The Company is not exposed to significant market risk and overall the Company's market risk has not changed significantly from the prior year.

(d) Interest rate risk

Interest rate risk consists of two components:

a. To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and
b. To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk due to the short-term maturity of its loans and credit facility.

(e) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company incurs certain expenses in currencies other than the Canadian dollar. The Company is subject to foreign currency risk as a result of fluctuations in exchange rates. The Company manages this risk by maintaining bank accounts in US dollars to pay these foreign currency expenses as they arise. Receipts in foreign currencies are maintained in those currencies. The Company does not undertake currency hedging activities. The Company also does not attempt to hedge the net investment and equity of integrated foreign operations.

There were no changes during the year in the Company's approach to managing the above risks. The Company is not exposed to significant foreign currency risk and overall the Company's foreign currency risk has not changed significantly from the prior year.

(EXPRESSED IN CANADIAN DOLLARS)

5. Exploration and evaluation assets

Property	Mogolllon Property ($)	Salar del Diablo ($)
Total December 31, 2016	**-**	**-**
Consideration paid	537,740	2,685,000
Acquisition costs	67,140	125,664
Less: impairment provision	(604,880)	-
Total December 31, 2017	**-**	**2,810,664**
Consideration paid	-	296,990
Acquisition costs	19,361	-
Less: impairment provision	(19,361)	-
Total December 31, 2018	**-**	**3,107,654**

Acquisition of the Mogollon Project

On February 28, 2017, the Company entered into an assignment agreement (the "Assignment Agreement"), pursuant to which the Company was assigned all rights and obligations of an original option agreement (the "Option Agreement") dated December 22, 2015, between Stand-up Investments ("SUI") and an option holder ("Third Party") in exchange for initially issuing 5,000,000 common shares of the Company as well as paying $75,000 in cash.

During the year ended December 31, 2016, the Company made a payment to SUI for $25,000 as part of the original option agreement. Under the terms of the Option Agreement, SUI has the option to acquire a 100% interest in the Mogollon silver-gold project located in New Mexico, US, by making annual payments totalling US$1,000,000 to the Third Party as follows:

On or before (Date)	Pay to Third Party (US$)	
January 31, 2016	50,000	(Paid by SUI)
December 31, 2016	200,000	(Paid by SUI)
December 31, 2017	200,000	
December 31, 2018	275,000	
December 31, 2019	275,000	
	1,000,000	

The December 31, 2017 payment was deferred to 2018.

Pursuant to the Assignment Agreement, the Company is required to assume the remaining payments to the Third Party as follows:

(EXPRESSED IN CANADIAN DOLLARS)

On or before (Date)	Pay to Third Party (US$)
December 31, 2017	200,000
December 31, 2018	275,000
December 31, 2019	275,000
	750,000

Subsequent to the December 31, 2017 year end, the December 31, 2017 payment was extended to February 28, 2018. The Company was not successful in amending the February 28, 2018 payment of $200,000 US to the Third Party and elected to terminate the Option Agreement with the Third Party. In addition to the above, the Company was also required to reimburse SUI US$200,000 ($262,740 CAD) previously paid by SUI to the Third Party on January 30, 2017.

Consideration paid to December 31, 2017 to SUI for the Mogollon Option Agreement:

For value of 5,000,000 shares issued at $0.04 per share	$	200,000
Issuance of 1,500,000 shares In lieu of cash payment	$	75,000
Cash reimbursed to SUI US$200,000	$	262,740
Total consideration paid	**$**	**537,740**

If the Company decided to continue with the option agreement, it had agreed to make the following additional payments and share issuance to SUI contingent on the Company making the following payments to the Third Party:

On or before (Date)	Pay to SUI (CDN$)	Pay to SUI (# of shares of OWL)	
April 1, 2018	200,000	5,000,000	(1)
April 1, 2019	-	5,000,000	(2)
	200,000	**10,000,000**	

(1) In April 2018, the Company and SUI amended their Assignment Agreement whereby the April 1, 2018 payment of $200,000 and shares issuance of 5,000,000 was extended to November 30, 2018.

(2) In April 2018, the April 1, 2019 commitment date for the share issuance was extended to November 30, 2019. SUI became a related party on April 25, 2018, as they share a common officer.

In addition, the Company has granted SUI a 1% net smelter return royalty ("NSR") upon commencement of commercial production.

The Company was not successful in amending the February 28, 2018 payment of $200,000 US to the Third Party and has elected to terminate the Option Agreement with the Third Party and the Assignment Agreement with SUI. As of December 31, 2018, the Company has provided an impairment provision of $19,361 (December 31, 2017: $604,880) against the carrying amount of the Mogollon Property.

(EXPRESSED IN CANADIAN DOLLARS)

Acquisition of the Salar del Diablo Property (formerly the Valle Del Diablo Property):

On October 10, 2017, the Company completed the acquisition of Lithium Investments Ltd. ("LIL") by acquiring all of the shares of LIL from its shareholders in exchange for 10,000,000 common shares and a $100,000 cash payment made 30 days after the close (November 10, 2017). All shares issued on October 10, 2017 were measured at $0.235 per share, being the Company's closing price on that date on the CSE.

The principal assets of LIL consist of the rights and interests under an option and joint venture agreement as amended (the "Option Agreement") with third parties to acquire up to a 90% interest in the Salar del Diablo (formerly the Valle Del Diablo Property) in Mexico (the "Salar del Diablo Property"). In order to earn an 80% interest in the Salar del Diablo, the Company is required to issue 1,800,002 shares (1,000,002 shares were issued on October 10, 2017, 200,000 shares were issued on August 13, 2018 and 200,000 shares were issued on September 24, 2018 for a total value of $297,000, being the total value of the shares on the date of issuance) and make payments up to US$380,000 (as at December 31, 2018 US$230,000 has been paid) to the third parties in stages. The balance of the 400,000 shares and a US$150,000 payment is due after completion of the drilling program which is expected to be completed during the 2019 fiscal year. If the project goes to commercial production the Company is also required to issue an additional 1,100,000 shares and make an additional payment of $1,050,000. In addition, up until the delivery of a bankable feasibility report (the "BS Report") on the Salar del Diablo Property the Company is responsible for all exploration expenditures. After the delivery of the BS Report each Joint Venture party ("JV Party") is responsible for their prorata share of future funding. If either JV Party fails to contribute its share of the project cost their interest shall be diluted proportionally until their interest reaches 10% or less. Should the underlying JV Party's interest dilute below a 10% equity interest or less, a 2% NSR royalty replaces the 10% equity interest and the other party will have the right at any time prior to the commencement of commercial production but not the obligation to purchase one-half of the NSR for US$5,000,000.

On August 21, 2018, the third parties assigned their interest in the Option Agreement to Energy Metals Discovery Group, LLC, a Texas Limited Liability Company.

For accounting purposes, the acquisition of LIL has been recorded as an asset acquisition as LIL was not considered to be a business when applying the guidance within IFRS 3.

Consideration paid:

For value of 10,000,000 shares issued to LIL shareholders at $0.235 per share	$2,350,000
For value of 1,000,002 shares issued to Joint Venture Third Party at $0.235 per share	$235,000
Cash paid	$100,000
Total consideration paid, December 31, 2017	**$2,685,000**
For value of 200,000 shares issued to Joint Venture Third Party at $0.16 per share	$32,000
Cash paid	$264,990
Total consideration paid, December 31, 2018	**$2,981,990**

On September 24, 2018, the Company issued 200,000 shares as a penalty for late payment. The shares were valued at $30,000, using the issuance date to determine the fair value of the shares. The penalty was included in the exploration and evaluation expense for the year ended December 31, 2018.

(EXPRESSED IN CANADIAN DOLLARS)

The LIL purchase agreement requires the Company to continue making the following additional payments and share issuance to the former shareholders of LIL:

On or before (Date)		Pay to former shareholders of LIL (CDN$)	Pay to former shareholders of LIL (# of shares of OWL)
October 10, 2018	$	200,000 (paid)	12,500,000
October 10, 2019	$	300,000	-
October 10, 2020	$	400,000	-
	$	**900,000**	**12,500,000**

As at December 31, 2018, the 12,500,000 shares have not been issued. On April 24, 2019 the Company agreed to increase the share issuance by 3,500,000 shares to 16,000,000 shares for the LIL shareholders agreeing to extend the date of the share issuance of shares to July 31, 2019.

In connection with the Salar del Diablo property, the Company, advanced $208,817 to the property (2017: $264,703) in respect of drilling, to be completed in 2019.

The following table shows the activity by category of exploration and evaluation and impairment provision:

Exploration and Evaluation Expenditures and Impairment Provision	December 31, 2018 ($)	December 31, 2017 ($)
Concession fees	140,193	-
Consulting	33,473	12,866
Geophysics	438,701	-
Maintenance fees	30,000	98,792
Mapping	34,473	-
Other	20,792	-
Staking	12,276	-
Impairment charge on Mogollon Property	19,361	604,880
Total	**729,269**	**716,538**

(EXPRESSED IN CANADIAN DOLLARS)

6. Accounts Payable and Accrued Liabilities

	December 31, 2018 ($)	December 31, 2017 ($)
Accounts payable and accrued liabilities	427,673	400,067
Part XII.6 tax payable	213,999	204,577
Due to related parties (note 11)	32,090	170,361
	673,762	**775,005**

7. Loans Payable

	Loan #1		Loan #2		Loan #3		Loan #4	
	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)
Balance - beginning	-	118,000	-	353,025	-	50,000	-	5,000
Additions	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Transferred to shares for debt		(118,000)	-	(353,025)	-	(50,000)	-	(5,000)
Balance - end	-	-	-	-	-	-	-	-

	Loan #5		Loan #6		Loan #7		Loan #8	
	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)
Balance - beginning	-	5,000	-	25,000	-	1,800	-	6,000
Additions	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Transferred to shares for debt	-	(5,000)	-	(25,000)	-	(1,800)	-	(6,000)
Balance - end	-	-	-	-	-	-	-	-

	Loan #9		Loan #10		Loan #11		Loan #12	
	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)
Balance - beginning	-	1,500	-	5,000	-	5,000	-	310,710
Additions	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Transferred to shares for debt	-	(1,500)	-	(5,000)	-	(5,000)	-	(310,710)
Balance - end	-	-	-	-	-	-	-	-

	Loan #13		Loan #14		Loan #15		Total	
	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)
Balance - beginning	5,000	-	51,425	-	-	-	56,425	886,035
Additions	-	5,000	-	50,000	50,000	-	50,000	55,000
Interest	-	-	4,000	1,425	1,414	-	5,414	1,425
Repayment	(5,000)	-	-	-	-	-	(5,000)	-
Bonus warrants	-	-	-	-	(11,400)	-	(11,400)	-
Accretion	-	-	-	-	7,500	-	7,500	-
Transferred to shares for debt	-	-	-	-	-	-	-	(886,035)
Balance - end	-	5,000	55,425	51,425	47,514	-	102,939	56,425

(EXPRESSED IN CANADIAN DOLLARS)

Loan #1:	Matured on October 1, 2014, and bears interest at 12% per annum, calculated on a monthly basis. The loan was settled on February 28, 2017.
Loan #2:	Matured on December 31, 2014 and bears an effective interest rate of 8% per annum. The loan was settled on February 28, 2017.
Loan #3	On April 11, 2016, the Company received $50,000 in respect of a loan. The loan was settled on February 28, 2017.
Loan #4	On June 2, 2016, the Company received $5,000 in respect of a loan. The loan was settled on February 28, 2017.
Loan #5	On June 16, 2016, the Company received $5,000 in respect of a loan. The loan was settled on February 28, 2017.
Loan #6	On June 16, 2016, the Company received $25,000 in respect of a loan. The loan was settled on February 28, 2017.
Loan #7	On August 29, 2016, the Company received $1,800 in respect of a loan. The loan was settled on February 28, 2017.
Loan #8	On September 12, 2016, the Company received $6,000 in respect of a loan. The loan was settled on February 28, 2017.
Loan #9	On September 29, 2016, the Company received $1,500 in respect of a loan. The loan was settled on February 28, 2017.
Loan #10	On October 11, 2016, the Company received $5,000 in respect of a loan. The loan was settled on February 28, 2017.
Loan #11	On November 10, 2016, the Company received $5,000 in respect of a loan. The loan was settled on February 28, 2017.
Loan #12	During the year ended December 31, 2016, amounts owing to a formerly related party were transferred to an unrelated party. The loan was settled on February 28, 2017.
Loan #13	On October 10, 2017, the Company received $5,000 in respect of a loan. The loan was settled on May 17, 2018.
Loan #14	On August 24, 2017, the Company received $50,000 in respect of a convertible loan. The loan matured on December 1, 2017 with no demand for repayment. The convertible feature (to convert the loan into common shares) also expired on the maturity date of December 1, 2017. The loan is unsecured and bears interest of 8% per annum. $4,000 was accrued during the year ended December 31, 2018 (December 31, 2017: $1,425).
Loan #15	On July 12, 2018, the Company received $50,000 in respect of a loan. The loan originally matured on October 31, 2018, which was subsequently extended to March 31, 2019. The loan is unsecured and bears interest of 6% per annum. $1,414 was accrued during the year ended December 31, 2018 (December 31, 2017: $Nil). In consideration for the Loan, on July 12, 2018, the Company issued 312,500 share purchase warrants to the Lender. On November 1, 2018, in consideration for extending the maturity date, the Company issued an additional 312,500 share purchase warrants to the Lender. Each Warrant will entitle the Lender to purchase one common share at $0.16 per share for a period of 2 years. The bonus warrants were valued at $11,400. The effective interest rate is 27.1%. Subsequent to year end, on April 1, 2019, the note was extended for another three months, with a new maturity date of June 30, 2019. An additional 312,500 warrants were granted in consideration of the extension. Each warrant will entitle the Lender to purchase one common share at $0.165 per share for a period of 2 years.

Loans #1 to #12 were settled as part of the debt settlement agreement (note 10), and both parties agreed to cease accrual of interest as of December 31, 2016. Loans #1 to #12 were settled on February 28, 2017 by issuance of 17,720,700 shares, having an equivalent value as the carrying amount of the debt.

(EXPRESSED IN CANADIAN DOLLARS)

8. Promissory notes payable

	Promissory Note #1		Promissory Note #2		Promissory Note #3		Promissory Note #4		Total	
	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)	Dec 31, 2018 ($)	Dec 31, 2017 ($)
Balance - beginning	**-**	**579,149**	**-**	**17,852**	**-**	**11,677**	**-**	**2,015**	**-**	**610,693**
Foreign exchange	-	(8,297)	-	-	-	-	-	-	-	**(8,297)**
Transferred to shares for debt	-	(570,852)	-	(17,852)	-	(11,677)	-	(2,015)	-	**(602,396)**
Balance - end	-	-	-	-	-	-	-	-	-	-

Promissory Note #1: The note is unsecured, bears interest at 8% per annum on principal of US$370,184 (CDN $570,852) and matured on December 31, 2014; however, no demands for repayment were made. The promissory note was settled on February 28, 2017 by issuance of 11,417,040 shares having an equivalent value as the carrying amount of the debt.

Promissory Note #2: The note is unsecured, bears interest at 10% per annum and matured on December 31, 2015; however, no demands for repayment were made. The promissory note was settled on February 28, 2017 by issuance of 357,040 shares having an equivalent value as the carrying amount of the debt.

Promissory Note #3: The note is unsecured, bears interest at 10% per annum and matured on December 31, 2015; however, no demands for repayment were made. The promissory note was settled on February 28, 2017 by issuance of 233,540 shares having an equivalent value as the carrying amount of the debt.

Promissory Note #4: The note is unsecured, bears interest at 10% per annum and matured on December 31, 2015; however, no demands for repayment were made. The promissory note was settled on February 28, 2017 by issuance of 40,300 shares having an equivalent value as the carrying amount of the debt.

All promissory notes were settled as part of the debt settlement agreement (Note 10) and both parties agreed to cease accrual of interest as of December 31, 2016. No interest was accrued for the year ended December 31, 2017.

(EXPRESSED IN CANADIAN DOLLARS)

9. Credit Facility

On February 22, 2017, the Company entered into a credit facility ("Credit Facility"), pursuant to which it can borrow from SUI an aggregate of up to $250,000 in one or more tranches (each, a "Tranche"), at a rate of 8.0% per annum, with a maturity date for each Tranche of February 28, 2019. In consideration for the Credit Facility, the Company is required to issue share purchase warrants ("Warrants") permitting SUI to purchase up to, in the aggregate, 1,250,000 shares, in proportion with each Tranche of the Credit Facility. Each Warrant allows for the purchase of one common share at $0.20 per share for a period of 2 years from the date of the Tranche. On February 28, 2017 and under the terms of the Credit Facility, the Company borrowed $100,000 from SUI, and issued Warrants allowing for the purchase of up to, in the aggregate, 500,000 common shares in the capital of the Company at $0.20 per share until February 28, 2019. Subsequent to December 31, 2018, 400,000 warrants expired unexercised and 100,000 warrants were extended for an additional year. The warrants were valued at $55,555 being the residual value of the $100,000 credit facility present valued using a market interest rate of 50% for comparable debt with a similar risk profile of the Company.

	($)
Present value of the $100,000 credit facility at 50% discount rate	44,445
Accretion of debt discount	23,211
Accrued interest	6,694
Balance, at December 31, 2017	**74,350**
Accretion of debt discount	27,500
Accrued interest	8,000
Balance, at December 31, 2018	**109,850**

The value of the warrants are being accreted over the 2 year life of the credit facility.

On April 24, 2019 SUI agreed to extend the maturity date of the $100,000 principal plus interest from February 28, 2019 to August 31, 2019. For this extension the Company issued Warrants allowing for the purchase of up to, in the aggregate, 500,000 common shares in the capital of the Company at $0.20 per share until February 28, 2021.

10. Share capital

a) Authorized

- Unlimited common shares without par value.
- On February 28, 2017 the Company's shares were delisted from NEX and listed on CSE.

b) Issued

During the year ended December 31, 2018:

1. **Private placements:** On March 22, 2018, the Company closed the first tranche of its private placement that was previously announced on November 9, 2017. The Company raised $1,028,650 through the issuance of 6,857,667 units at a price of $0.15 per unit. Each Unit was comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional share, at a price of $0.20 per warrant share for a period of 24 months from the partial closing date of the Offering. All securities are subject to a four month and one day hold from the closing date. The Company received $668,200 in 2017 towards this private placement which was included in share subscriptions payable. No finder's fees were paid in connection with the private placement.

   On May 23, 2018, the Company closed the second tranche of its private placement that was previously announced on November 9, 2017. The Company raised $522,100 through the issuance of 3,480,665 units at a price of $0.15 per unit. Each Unit was comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional share, at a price of $0.20 per warrant share for a period of 24 months from the partial closing date of the Offering. All securities are subject to a four month and one day hold from the closing date. No finder's fees were paid in connection with the private placement.

   On November 8, 2018, the Company closed the first tranche of its private placement that was previously announced on June 29, 2018. The Company raised $1,248,875 through the issuance of 8,325,833 units at a price of $0.15 per unit. Each Unit was comprised of one common share in the capital of the Company and one-half non-transferable common share purchase warrant. Each whole warrant will entitle the holder thereof to acquire one additional share, at a price of $0.20 per warrant share for a period of 24 months from the partial closing date of the Offering. All securities are subject to a four month and one day hold from the closing date. No finder's fees were paid in connection with the private placement.

   As at December 31, 2018, in connection with the private placement announced June 29, 2018, the Company received $92,000 subscriptions in advance of issuance of units. The subscriptions advance has been presented in share subscriptions payable as at December 31, 2018. On April 10, 2019 the Company closed the second tranche of this private placement which included this subscription in advance (note 15).

2. **Stock option exercise:** On March 29, 2018, 100,000 stock options were exercised at $0.05, for total proceeds of $5,000.

   On July 18, 2018, 150,000 stock options were exercised at $0.05, for total proceeds of $7,500.

   On December 19, 2018, 1,000 stock options were exercised at $0.20, for a total of $200.

3. **Debt settlement:** On April 26, 2018, the Company settled a portion of the debt owing to a related party through a debt settlement at $0.15, the share price on the date of the grant, by the issuance of 160,000 common shares of the Company (Note 11).

4. **Option Agreement:** On August 13, 2018, as per the amended Option Agreement with Energy Metals Discovery Group, LLC ("EMDG") the Company issued 50,000 common shares to each of the individual members of EMDG totalling 200,000 common shares. The shares issued under this Option Agreement are subject to a four (4) month one (1) day hold period from trading and were released on December 14, 2018. The shares were valued at $32,000, using the issuance date to determine the fair value of the shares.

   On September 24, 2018 as per the third amendment to the Option Agreement with EMDG the Company issued 50,000 common shares to each of the individual members of EMDG totalling 200,000 common shares. The shares issued under this option agreement are subject to a four (4) month one (1) day hold period from trading and were released on January 25, 2019. The shares were valued at $30,000, using the issuance date to determine the fair value of the shares.

During the year ended December 31, 2017:

1. **<u>Debt settlement:</u>** The Company settled total debt and payments in the aggregate amount of $1,543,837 with creditors of the Company by way of issuance of 30,876,737 common shares in the capital of the Company (the "Debt Shares"). The debt settlement was comprised of accounts payable (Note 6), loans payable (Note 7) and promissory notes payable (Note 8). The value of the common shares was equivalent to the carrying value of the debt as the fair value of the common shares on measurement was not a reliable estimate of fair value. The Debt Shares were subject to hold periods and were released in stages, as to 25% each on July 1, 2017, October 1, 2017, January 1, 2018 and April 1, 2018.
2. **<u>Convertible debentures:</u>** On February 28, 2017, the Company repaid loans and accounts payable in the aggregate amount of $516,457 through the issuance of a convertible debt instrument. This amount was comprised of loans payable 3, 4, 5 and 6 (Note 7) in the amount of $80,000 and accounts payable of $436,457 owing to SUI at the time. This convertible debt instrument bore no interest, had no maturity and a conversion price of $0.05. The convertible debtholders exercised their conversion option also on February 28, 2017. The Company recorded a $14,571 gain on the settlement of these debts. Upon the holder exercising the conversion option, the Company issued, in the aggregate of 10,329,140 common shares in the capital of the Company (the "Debenture Shares") at the conversion price of $0.05 share. The Debenture Shares were subject to hold periods and were released in stages, as to 25% each on July 1, 2017, October 1, 2017, January 1, 2018 and April 1, 2018.

3. **Option assignment:** In consideration for the assignment of the Mogollon Project Option Agreement by SUI to the Company, the Company issued 6,500,000 common shares on February 28, 2017 for a total consideration of $275,000 (Note 5). These shares are included in the common shares issued for debt. The shares issued under this option agreement are subject to a four (4) month one (1) day hold period from trading and were released on July 1, 2017.

4. **Option agreement:** In consideration for the assignment of the Salar del Diablo Option Agreement between LIL and the Company, the Company issued 11,000,000 common shares on October 10, 2017, as per the agreement to former shareholders' of LIL and Joint Venture Third Party (Note 5). The shares issued under this option agreement were subject to a four (4) month one (1) day hold period from trading and were released on February 11, 2018.

5. **Private placement:** On November 9, 2017, the Company announced a non-brokered private placement to raise up to $1,500,000 by way of a unit offering of up to 10,000,000 units at a price of $0.15 per unit (the "Offering"). Each Unit will comprise one shares and one warrant ("Warrant"), with each Warrants exercisable to acquire on additional share at $0.20 per share until 24 months after the closing of the Offering. The Company may pay finders' fees in connection with the Offering and the Offering is subject to regulatory approval. As at December 31, 2017, in connection with this Offering, the Company received $668,200 subscriptions in advance of issuance of units. The subscriptions advance has been presented in Share Subscriptions as at December 31, 2017.

c) Stock options

During the year ended December 31, 2018:

On February 4, 2013, the Company adopted a "rolling" stock option plan for its employees, directors, officers and self-employed consultants, which plan received regulatory approval in 2013. The terms of the plan provide for options to be granted to a maximum of 10% of the issued and outstanding common shares of the Company at the time of grant of the stock options. The exercise price of each option shall not be less than the minimum price permitted by the policies of the Exchange. The options may be granted for a maximum term of ten years from the date of grant, and at the Board's election, may include vesting provisions. The total amount of share-based payments expense, if any, which is expected to be recognized over the vesting period of options, is recognized during the period in which it occurs.

On October 31, 2018, at the Company's Annual General Meeting the shareholders approved a new stock option plan to incorporate the polices of the Canadian Stock Exchange ("CSE"). Under the new stock option plan the maximum number of shares of the Company reserved for issuance will be limited to 10% of the issued shares of the Company at the time of any granting of options (on a non-diluted basis). In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The exercise price of each option shall be determined by the Board provided that such exercise price shall be not lower than the greater closing price of the Company's shares on the CSE on the trading day prior to the date of grant. The options may be granted for a maximum term of ten years from the date of grant, and at the Board's election, may include vesting provisions. The total amount of share-based payments expense, if any, which is expected to be recognized over the vesting period of options, is recognized during the period in which it occurs.

On March 22, 2018, the Company granted incentive stock options allowing for the acquisition of 800,000 common shares of the Company at a price of $0.20 per common share. The stock options are exercisable on or before March 22, 2020 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 2%, expected life of two years, expected volatility of 204.88% and dividend yield of 0%. The total amount of share based payments expense, $100,022 was recognized during the year ended December 31, 2018.

On April 11, 2018, the Company granted incentive stock options allowing for the acquisition of 300,000 common shares of the Company at a price of $0.20 per common share. The stock options are exercisable on or before April 11, 2020 are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.84%, expected life of 2 years, expected volatility of 191% and dividend yield of 0%. The total amount of share based payments expense, $36,002, of which was recognized during the year ended December 31, 2018.

On May 11, 2018, the Company granted incentive stock options allowing for the acquisition of 500,000 common shares of the Company at a price of $0.15 per common share. The stock options are exercisable on or before February 15, 2019 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.93%, expected life of 9 months, expected volatility of 83.16% and dividend yield of 0%. The total amount of share based payments expense, $21,480, of which was recognized during the year ended December 31, 2018.

On May 23, 2018, the Company granted incentive stock options allowing for the acquisition of 100,000 common shares of the Company at a price of $0.15 per common share. The stock options are exercisable on or before May 23, 2020 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.98%, expected life of 2 years, expected volatility of 216.26% and dividend yield of 0%. The total amount of share based payments expense, $13,144, was recognized during the year ended December 31, 2018.

On June 22, 2018, the Company granted incentive stock options allowing for the acquisition of 100,000 common shares of the Company at a price of $0.15 per common share. The stock options are exercisable on or before June 22, 2020 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.79%, expected life of 2 years, expected volatility of 194.19% and dividend yield of 0%. The total amount of share based payments expense, $13,418, was recognized during the year ended December 31, 2018.

Pursuant to the vesting of options granted in prior years, the Company recognized $35,163 in share based payments during the year ended December 31, 2018.

During the year ended December 31, 2017:

On February 28, 2017, the Company granted stock options allowing for the purchase of up to, in the aggregate, 1,700,000 common shares for 5 years, to directors, officers and consultants of the Company. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 0.95%, expected life of five years, expected volatility of 743.86% and dividend yield of 0%. The total amount of share based payments expense, $765,000 was recognized during the period ended December 31, 2017.

(EXPRESSED IN CANADIAN DOLLARS)

On April 4, 2017, The Company granted stock options allowing for the purchase of up to, in the aggregate, 600,000 common shares for 1 year to consultants of the Company. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 0.74%, expected life of one year, expected volatility of 120.15% and dividend yield of 0%. The total amount of share based payments expense, $108,960, of which $108,762 was recognized during the year ended December 31, 2017.

On August 11, 2017, The Company granted stock options allowing for the purchase of up to, in the aggregate, 400,000 common shares to a consultant of the Company at $0.25 per share until February 28, 2019. The options will fully vest on March 1, 2018. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.20%, expected life of 1.5 year, expected volatility of 143.27% and dividend yield of 0%. The total amount of share based payments expense, $65,560, of which $46,000 was recognized during the year ended December 31, 2017.

On November 10, 2017, The Company granted stock options allowing for the purchase of up to, in the aggregate, 1,100,000 common shares to consultants of the Company at $0.20 per share until December 1, 2018. The options will fully vest on March 31, 2018 with 600,000 options vested at December 31, 2017. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.44%, expected life of one year, expected volatility of 135.69% and dividend yield of 0%. The total amount of share based payments expense, $64,240, of which $48,638 was recognized during the year ended December 31, 2017.

As at December 31, 2018, the Company had stock options outstanding to directors, officers and consultants for the purchase of up to, in the aggregate, 3,649,000 (December 31, 2017: 3,800,000) common shares exercisable as follows:

Number of stock options outstanding	Number of stock options exercisable	Exercise price	Expiry date
(#)	(#)	($)	
1,450,000	1,450,000	0.05	February 28, 2022
400,000	400,000	0.25	February 28, 2019
799,000	799,000	0.20	March 22, 2020
500,000	500,000	0.15	February 15, 2019
300,000	300,000	0.20	April 11, 2020
100,000	100,000	0.15	May 23, 2020
100,000	100,000	0.15	June 22, 2020
3,649,000	**3,649,000**		

The weighted average remaining contractual life of the stock options outstanding as at December 31, 2018 is 1.74 years (December 31, 2017: 2.29). Subsequent to year end, 900,000 stock options expired unexercised.

(EXPRESSED IN CANADIAN DOLLARS)

A summary of the stock options outstanding at December 31, 2018 and December 31, 2017, and changes during the year then ended are as follows:

	Number of options (#)	Weighted average exercise price ($)
Outstanding December 31, 2016	-	-
Granted	1,700,000	0.05
Granted	600,000	0.40
Granted	400,000	0.25
Granted	1,100,000	0.20
Outstanding December 31, 2017	3,800,000	0.17
Granted	800,000	0.20
Granted	500,000	0.15
Granted	100,000	0.15
Granted	100,000	0.15
Granted	300,000	0.20
Expired	(600,000)	0.40
Expired	(1,100,000)	0.20
Exercised	(100,000)	0.05
Exercised	(150,000)	0.05
Exercised	(1,000)	0.20
Outstanding December 31, 2018	3,649,000	0.14

d) Warrants

During the year ended December 31, 2018:

- The Company, in connection with the March 22, 2018 Private Placement, issued 6,857,667 warrants, with each warrant entitling the holder to purchase one common share at a price of $0.20 until on March 22, 2020. As the fair value of the shares was the same as the consideration received, no residual amount existed, and the warrants were valued at $Nil.

- The Company, in connection with the May 23, 2018 Private Placement, issued 3,480,665 warrants, with each warrant entitling the holder to purchase one common share at a price of $0.20 until on May 24, 2020. As the fair value of the shares was the same as the consideration received, no residual amount existed, and the warrants were valued at $Nil.

- On July 12, 2018, the Company issued 312,500 share purchase warrants to the Lender (Note 7), each warrant will entitle the Lender to purchase one common share at $0.16 per share for a period of 2 years. The warrants were valued at $4,900 being the residual value of the $50,000 loan present valued using a market interest rate of 40% for comparable debt with a similar risk profile of the Company.

(EXPRESSED IN CANADIAN DOLLARS)

- On November 1, 2018, the Company issued 312,500 share purchase warrants to the Lender (Note 7), each warrant will entitle the Lender to purchase one common share at $0.16 per share for a period of 2 years. The warrants were valued at $6,500 being the residual value of the $50,000 loan present valued using a market interest rate of 40% for comparable debt with a similar risk profile of the Company.

- The Company, in connection with the November 8, 2018 Private Placement, issued 4,162,901 warrants, with each warrant entitling the holder to purchase one common share at a price of $0.15 until on November 8, 2020. As the fair value of the shares was the same as the consideration received, no residual amount existed, and the warrants were valued at $Nil.

- Subsequent to December 31, 2018, 400,000 of the credit facility warrants (Note 9) expired and the Company agreed to extend 100,000 warrants for one additional year expiring on February 28, 2019.

During the year ended December 31, 2017:

The Company, in connection with the Credit Facility (Note 9), issued 500,000 warrants, with each warrant entitling the holder to purchase one common share at a price of $0.20 per share until on February 28, 2019. The warrants were valued at $55,555 being the residual value of the present value of the Credit Facility.

A summary of the status of the warrants as at December 31, 2018 and December 31, 2017 follows:

	Number of Warrants	Weighted Exercise Price	Expiry Date
Outstanding and Exercisable December 31, 2016	-		
Issued	500,000	$0.20	February 28, 2019
Outstanding and Exercisable December 31, 2017	**500,000**	**$0.20**	
Issued	6,857,667	$0.20	March 22, 2020
Issued	3,480,665	$0.20	May 24, 2020
Issued	312,500	$0.16	July 12, 2020
Issued	4,162,901	$0.15	November 8, 2020
Issued	312,500	$0.16	November 1, 2020
Outstanding and Exercisable December 31, 2018	**15,626,233**	**$0.19**	

e) Share-based payments reserve

Share-based payments reserve includes the value of stock option grants prior to exercise.

(EXPRESSED IN CANADIAN DOLLARS)

11. Related party transactions

a) Compensation of key management personnel

Key management personnel consist of the directors and executive officers of the Company. The remuneration, including stock-based compensation, of key management personnel during the years ended December 31, 2018 and 2017 were as follows:

	For the years ended December 31	
	2018	2017
	($)	($)
Management fees	160,000	60,000
Share based payments	26,562	315,000
	186,562	**375,000**

At December 31, 2018, $582 (2017 - $Nil) is owed to an officer of the Company. This amount is included in accounts payable and accrued liabilities. On April 25, 2018, the Company agreed to settle debt owing to a former CFO of the Company in the amount of $120,090 through the issuance of shares and cash. The parties agreed to the issuance of 160,000 common shares of the Company at a price of $0.15, the fair value of the shares on the grant date, (Note 10), and $36,000 cash as total consideration against the indebtedness for services rendered by the former CFO. The remaining $60,090 was written off and recorded as a gain on debt settlement. As of December 31, 2018, there is no amount owing to the former CFO.

b) Other related party transactions

Effective May 1, 2016, the Company entered into an office rental agreement in which an officer and director is a shareholder. For the years ended December 31, 2018 and 2017, the Company was charged rent and office expenses as follows:

	For the years ended December 31	
	2018	2017
Rent and office	$ 60,601	$ 41,529

At December 31, 2018, the Company owes $31,508 (2017: $50,271) for rent and office. Subsequent to year end, on March 7, 2019, the Company agreed to issue debt settlement shares at a price of $0.19, being the fair value of the shares on the grant date, by the issuance of 132,178 common shares of the Company to the related party as consideration of indebtedness for office rent payable in the amount of $26,370.

(EXPRESSED IN CANADIAN DOLLARS)

12. Management of capital

The Company's objectives when managing capital are: to safeguard the Company's ability to continue as a going concern in order to facilitate the development of mineral properties and to maintain an optimal capital structure, while ensuring the Company's strategic objectives are met; and to provide an appropriate return to shareholders relative to the risk of the Company's underlying assets.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, share-based payments reserve, loans, credit facility and deficit.

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, and controlling the capital expenditures program. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management policies on an ongoing basis. During the year ended December 31, 2018, there has been no change in the Company's management of capital policies.

13. Income tax expense and deferred tax assets

The difference between tax expense for the year and the expected income taxes based on the statutory tax rate arises as follows:

	December 31, 2018 ($)	December 31, 2017 ($)
Net loss before income taxes	(2,186,160)	(2,285,436)
Statutory tax rate	27%	26%
Expected income tax recovery at the statutory rate	(590,000)	(594,000)
Non-deductible and other	58,000	274,000
Effect of changes in tax rates	-	(67,000)
Impact of (over)/under provision from prior year	16,000	-
Change in unrecognized deferred tax assets	516,000	387,000
Income tax expense / recovery	-	-

Effective December 31, 2018, the Federal and British Columbia provincial corporate tax rates were 15.00% and 12.00%. The nature and tax effect of the taxable temporary differences giving rise to deferred tax liabilities are summarized as follows:

	December 31, 2018 ($)	December 31, 2017 ($)
Non-capital losses	1,628,000	1,299,000
Exploration and evaluation assets	556,000	369,000
Intangible assets	105,000	105,000
Capital losses carried forward	12,000	12,000
	2,301,000	1,785,000
Unused Deferred Tax Asset	(2,301,000)	(1,785,000)
Net deferred tax assets	-	-

The Company has non-capital losses of $6,025,047 the year ended December 31, 2018 (2017 - $4,806,365) for income tax purposes, as noted below, which may be deducted in the calculation of taxable income in future years.

(EXPRESSED IN CANADIAN DOLLARS)

The potential benefits of these carry-forward non-capital losses, capital losses and deductible temporary differences has not been recognized in these financial statements as it is not considered probable that sufficient future taxable profit will allow the deferred tax asset to be recovered.

	($)
2026	273,674
2027	457,296
2028	186,971
2029	394,499
2030	544,210
2031	639,939
2032	319,002
2033	637,704
2034	178,054
2035	216,567
2036	322,722
2037	575,637
2038	1,278,772
	6,025,047

14. Segmented information

All of the Company's operations are in the resource sector. The Company's mineral exploration and development operations are in the United States and Mexico. The assets and total assets identifiable with these geographical areas are as follows:

	December 31, 2018	December 31, 2017
	$	$
Exploration & Evaluation Assets		
Canada	-	-
United States	-	-
Mexico	3,107,654	2,810,664
	3,107,654	**2,810,664**

	December 31, 2018	December 31, 2017
	$	$
Total Assets		
Canada	159,844	210,175
United States	-	-
Mexico	3,316,472	2,921,065
	3,476,316	**3,131,240**

15. Subsequent events

- On March 1, 2019, the Company granted stock options allowing for the purchase of up to, in the aggregate, 2,450,000 common shares for 2 years, to directors, officers and consultants of the Company.

- On March 1, 2019, the Company settled a portion of debt owing to certain creditors by issuing 203,231 common shares at $0.19, the fair value of the shares on the grant date.

- On March 18, 2019, the Company in connection with the settlement of services with a third party paid $25,000 in cash and issued 50,000 common shares at a deemed price of $0.185.

- On April 1, 2019, the Company extended a loan and issued an additional 312,500 share purchase warrants to the Lender (Note 7), each warrant will entitle the Lender to purchase one common share at $0.165 per share for a period of 2 years.

- On April 11, 2019 – the Company closed a second tranche of its non-brokered private placement, as previously announced on June 29, 2018. The Company raised $ 525,675 through the issuance of 3,504,497 units at a price of $0.15 per unit. Each Unit consists of one common share of the Company and one-half of a nontransferable Common Share purchase warrant. Each Warrant will entitle the holder to purchase one Common Share at a price of $0.20 for a period of 24 months from the closing of the offering. All securities are subject to a four month and one day hold from the closing date.

- On April 30, 2019, the Company granted stock options allowing for the purchase of up to, in the aggregate, 15,000 common shares to a consultant of the Company at $0.20 per share until April 30, 2021. The options are fully vested.