LEVON RESOURCES LTD.

(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements - Unaudited

For the three and nine months ended December 31, 2018
(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

		December 31, 2018		March 31, 2018
ASSETS				
Current				
Cash and cash equivalents	$	1,639,062	$	572,260
Amounts receivable		10,683		12,474
Prepaid expenses		94,081		263,342
Investments (Note 4)		30,117		5,204,366
		1,773,943		6,052,442
Non-current assets				
Prepaid expenses		-		31,250
Reclamation deposits (Note 5)		32,629		32,629
Value added tax receivable (Note 6)		1,794,627		1,805,310
Exploration and evaluation assets (Note 7)		50,000,000		50,000,000
Property and equipment		9,556		13,995
Total Assets	$	53,610,755	$	57,935,626
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	25,937	$	149,909
Due to related parties		15,303		29,707
Total Liabilities		41,240		179,616
SHAREHOLDERS' EQUITY				
Share capital (Note 8)		71,201,127		73,529,602
Contributed surplus		1,476,158		1,476,158
Deficit		(19,107,770)		(17,249,750)
Total Equity		53,569,515		57,756,010
Total Liabilities and Shareholders' Equity	$	53,610,755	$	57,935,626

Approved on behalf of the Board:

"Edward Karr" *"Ron Tremblay"*

Director **Director**

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

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)

	Three months ended December 31, 2018	Three months ended December 31, 2017	Nine months ended December 31, 2018	Nine months ended December 31, 2017
		(restated –note 3)		(restated –note 3)
Expenses				
Consulting and management fees (Note 9)	$ 191,963	$ 207,748	$ 599,937	$ 646,511
Exploration (Notes 7 and 9)	93,672	122,511	555,386	1,491,953
General exploration (Notes 7(d) and 9)	23,360	25,861	100,614	40,842
Listing and filing fees	33,920	31,314	55,015	52,625
Office, occupancy and miscellaneous	22,516	22,743	75,996	88,319
Professional fees	(1,617)	-	64,924	39,188
Share-based payments (Note 8)	-	-	-	30,214
Shareholder relations and promotion	64,142	27,131	244,297	81,327
Travel	7,410	36,028	34,691	60,522
	$ (435,366)	$ (473,336)	$ (1,730,860)	$ (2,531,501)
Finance income	3,016	2,486	3,571	33,562
Change in fair value of investments	(30,116)	(1,326,047)	(163,087)	(1,645,561)
Foreign exchange income (loss)	95,381	(184,286)	32,356	(384,236)
Net loss and comprehensive loss for the period	$ (367,085)	$ (1,981,183)	$ (1,858,020)	$ (4,527,736)
Loss per share, basic and diluted	$ (0.00)	$ (0.02)	$ (0.02)	$ (0.04)
Weighted average number of common shares outstanding	116,614,440	121,810,280	122,474,879	121,718,057

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

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of common shares	Share capital	Contributed surplus	Accumulated other comprehensive income	Deficit	Total shareholders' equity
At March 31, 2017 (as reported)	121,671,693	$ 72,461,530	$ 1,394,091	$ 92,058	$ (11,443,914)	$ 62,503,765
Adjustment on initial adoption on IFRS 9 (note 3)	-	-	-	(92,058)	92,058	-
At March 31, 2017 (restated)	121,671,693	$ 72,461,530	$ 1,394,091	-	(11,351,856)	$ 62,503,765
Exercise of stock options	250,000	69,857	(29,857)	-	-	40,000
Share-based payments	-	-	30,214	-	-	30,214
Net loss for the period	-	-	-	-	(4,527,736)	(4,527,736)
At December 31, 2017 (restated)	121,921,693	$ 72,531,387	$ 1,394,448	$ -	$ (15,879,592)	$ 58,046,243
Common share units issued in equity financing	2,571,214	683,857	216,068	-	-	899,925
Exercise of stock options	1,125,000	314,358	(134,358)	-	-	180,000
Net loss for the period	-	-	-	-	(1,370,158)	(1,370,158)
At March 31, 2018 (restated)	125,617,907	$ 73,529,602	$ 1,476,158	$ -	$ (17,249,750)	$ 57,756,010
Common shares of Levon received as consideration on sale of asset and subsequently cancelled	(9,003,467)	(2,328,475)	-	-	-	(2,328,475)
Net loss for the period	-	-	-	-	(1,858,020)	(1,858,020)
At December 31, 2018	116,614,440	$ 71,201,127	$ 1,476,158	$ -	$ (19,107,770)	$ 53,569,515

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

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Nine months ended December 31, 2018	Nine months ended December 31, 2017
		(restated – note 3)
Operating activities		
Net loss for the period	$ (1,858,020)	$ (4,527,736)
Items not involving cash:		
Depreciation	4,439	5,494
Share-based payments (Note 8)	-	30,214
Change in fair value of investments	163,087	1,645,561
Unrealized foreign exchange	(38,794)	381,856
Changes in non-cash working capital items:		
Amounts receivable	(33,876)	(39,101)
Prepaid expenses and deposits	200,499	5,500
Accounts payable and accrued liabilities	(119,176)	(20,812)
Due to related parties	(14,404)	(34,779)
Cash used in operating activities	(1,696,245)	(2,553,803)
Investing activities		
Proceeds from disposal of investments (Note 4)	2,682,687	-
Cash provided by investing activities	2,682,687	-
Financing activities		
Proceeds from stock option exercises (Note 8)	-	220,000
Cash provided by financing activities	-	220,000
Foreign exchange effect on cash	80,360	(137,611)
Increase (decrease) in cash and cash equivalents	1,066,802	(2,471,414)
Cash and cash equivalents, beginning of the period	572,260	3,096,105
Cash and cash equivalents, end of the period	$ 1,639,062	$ 624,691
Cash and cash equivalents consists of:		
Cash	$ 271,947	$ 247,999
Cash equivalents	1,367,115	376,692
	$ 1,639,062	$ 624,691
Supplemental cash flow information		
Interest received	$ 840	$ 37,150

Non-cash transaction (Notes 4 and 8)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Levon Resources Ltd. (the "Company" or "Levon") was incorporated under the *Business Corporations Act* (British Columbia) on February 18, 2015. The Company is an exploration stage public company whose principal business activities are the exploration for and development of exploration and evaluation properties in Mexico. There have been no significant revenues generated from these activities to date. The address of the Company's registered office is Suite 500 – 666 Burrard Street, Vancouver, British Columbia, V6C 2X8.

These condensed interim consolidated financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's ability to continue as a going concern is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations or the ability of the Company to raise alternative financing. Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or will be able to raise additional future funding when required.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 Interim Financial Reporting.

Basis of presentation

These condensed interim consolidated financial statements are expressed in Canadian dollars, the Company's functional currency, and have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value.

Except as noted in Note 3, the accounting policies set out in Note 3 of the Company's audited financial statements as at and for the year ended March 31, 2018, have been applied in preparing these condensed interim consolidated financial statements.

Approval of the condensed interim consolidated financial statements

These condensed interim consolidated financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on February 13, 2019.

3. NEW ACCOUNTING STANDARDS EFFECTIVE IN 2018

a) IFRS 9 – Financial Instruments

The Company adopted IFRS 9 on April 1, 2018 in accordance with the transitional provisions of the standard, applying a full retrospective approach in restating our prior period financial information. The Company has elected not to adopt the hedging requirements of IFRS 9 at this time but may adopt them in a future period.

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39").

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: (i) those measured at fair value through profit and loss ("FVTPL"); (ii) those measured at fair value through other comprehensive income ("FVOCI"); and (iii) those measured at amortized cost. The previous IAS 39 categories of held to maturity, loans and receivables and available for sale are eliminated. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income. Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial assets are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial assets. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

The key changes to Company's accounting policies resulting from the adoption of IFRS 9 are summarized below.

Classification of Financial Assets and Financial Liabilities:

The following table shows the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 as at April 1, 2018 for each class of the Company's financial assets and financial liabilities:

Financial Asset/Liability	Original classification IAS 39	New classification IFRS9
Cash and cash equivalents	FVTPL	FVTPL
Amounts receivable	Loans and receivable (amortized cost)	Amortized cost
Investments	Available for sale	FVTPL
Value added tax receivable	Loans and receivable (amortized cost)	Amortized cost
Reclamation deposits	Loans and receivable (amortized cost)	Amortized cost
Accounts payables	Other financial liabilities (amortized cost)	Amortized cost
Due to related parties	Other financial liabilities (amortized cost)	Amortized cost
Deposit liabilities	Other financial liabilities (amortized cost)	Amortized cost

3. NEW ACCOUNTING STANDARDS EFFECTIVE IN 2018 (continued)

There has been no change in the carrying value of the Company's financial instruments resulting from the changes to the measurement categories in the table noted above.

We did not make the irrevocable classification choice to record fair value changes on our portfolio of marketable equity securities through other comprehensive income which differs from our accounting policy prior to adoption. Upon adoption of IFRS 9 on April 1, 2018, the Company reclassified $Nil related to unrealized gains on the change in fair value of marketable equity securities from accumulated other comprehensive income to deficit as at March 31, 2018 (March 31, 2017 - $92,058). Subsequent changes in the fair value of marketable securities will be recorded in net income (loss).

For the three and nine months ended December 31, 2017, we reclassified $(90,999) and $(92,058), respectively, from other comprehensive loss to net loss.

- For the three months ended December 31, 2017, impairment of investments of $(1,221,448) in net loss, and $(134,308) in unrealized losses less $29,709 transfer of impairment to net loss in other comprehensive loss as originally reported as of December 31, 2017 were restated as a loss from the change in fair value of investments of $(1,326,047) in net loss.

  Also, deferred income expense of $13,600 in net loss and $13,600 deferred income tax recovery in other comprehensive loss as originally reported as of December 31, 2017 resulted in a restated $Nil balance in net loss.

- For the nine months ended December 31, 2017, impairment of investments of $(1,539,746) in net loss, and $(135,524) in unrealized losses less $29,709 transfer of impairment to net loss in other comprehensive loss as originally reported as of December 31, 2017 were restated as a loss from the change in fair value of investments of $(1,645,561) in net loss.

  Also, deferred income expense of $13,757 in net loss and $13,757 deferred income tax recovery in other comprehensive loss as originally reported as of December 31, 2017 resulted in a restated $Nil balance in net loss.

Measurement:

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of operations. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of operations in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Financial assets at FVOCI

Elected investments in equity instruments at FVOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss).

3. NEW ACCOUNTING STANDARDS EFFECTIVE IN 2018 (continued)

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses.

The Company applies the simplified method and measures a loss allowance equal to the lifetime expected credit losses for trade receivables.

The Company recognizes in the statements of operations, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized. The loss allowance was $nil as at December 31, 2018 and March 31, 2018.

b) IFRS 15 – Revenue Recognition

The Company has adopted all the requirements of IFRS 15 as of April 1, 2018. IFRS 15 replaced IAS 18 Revenue, IAS 11 Construction Contracts, and related interpretations on revenue, which had no impact on the Company’s consolidated financial statements.

(Expressed in Canadian Dollars)

4. INVESTMENTS

The table below summarizes the Company's investments.

	December 31, 2018	March 31, 2018
Marketable Equity Securities - Measured at Fair Value Through Profit and Loss		
Pershing Gold Corporation	$ -	$ 5,114,017
Great Thunder Gold Corp.	30,117	90,349
	$ 30,117	**$ 5,204,366**

The table below summarizes the investment activity for the period.

	Nine months ended December 31, 2018
Balance – March 31, 2018	$ 5,204,366
Proceeds from disposal of investments - cash	(2,682,687)
Proceeds from disposal of investments - shares of the Company (Note 8)	(2,328,475)
Change in fair value of investments	(163,087)
Balance – December 31, 2018	**$ 30,117**

5. RECLAMATION DEPOSITS

The Company has pledged specified term deposits as security for reclamation permits, as required by certain government agencies. The Company has a varying number of deposits on hand ranging from $1,000 to $6,000 with maturity dates ranging from January 14, 2019 to November 18, 2019, with interest rates from 0.45% to 0.6%. These deposits are renewed annually.

6. VALUE ADDED TAX RECEIVABLE

VAT or "Impuesto al Valor Agregado" ("IVA") receivables are generated on the purchase of supplies and services by the Company's Mexican subsidiaries and are refundable from the Mexican government. As at December 31, 2018, the amount of VAT due from the Mexican tax authorities is $1,794,627 (March 31, 2018 - $1,805,310).

The Company's Mexican subsidiaries have tax assessments of earlier tax years still open and disputed by the tax authorities. The Company continues to defend itself, and has engaged legal counsel to advise and assist the Company in response to these tax audits. On August 24, 2018, the Mexican tax authorities concluded an audit for the 2013 tax year for one of the subsidiaries, and issued sanctions and penalties totaling approximately $309,000 (MXN $4,473,739). The Company has initiated court proceedings in defense of these sanctions. No amounts have been recorded for any potential liability arising from the 2013 tax audit as the Company cannot reasonably predict the outcome of the court proceedings, although, the opinion of the legal counsel is the Company has a good chance of success. The Company has not recognized an impairment against the VAT receivable as of December 31, 2018.

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

The Company has capitalized the following acquisition expenditures:

		Cordero
Balance, December 31, 2018 and March 31, 2018	**$**	**50,000,000**

The Company incurred the following exploration expenditures, which were expensed in the consolidated statements of operations and comprehensive loss for the three and nine month periods ended December 31, 2018 and 2017:

	Three months ended December 31, 2018	Three months ended December 31, 2017	Nine months ended December 31, 2018	Nine months ended December 31, 2017
Cordero (Note 7(a))				
Drilling and exploration	$ 13,124	$ 9,625	$ 49,313	$ 909,965
Geological and management services	45,965	92,198	254,460	338,796
Mining rights	-	-	172,568	166,332
Payroll and general supplies	34,583	20,688	79,045	76,860
	$ 93,672	**$ 122,511**	**$ 555,386**	**$ 1,491,953**

(a) Cordero Sanson

The Cordero property is located near Hidalgo Del Parral, Chihuahua, Mexico. The Cordero mining claims are comprised of claims wholly owned by VHV by agreement with long-standing ranch families and small local mining companies, and certain other claims that were staked by the Company.

(b) Congress claims

The Company owns a 50% leasehold interest in certain claims in the Lillooet Mining Division, British Columbia.

(c) Wayside claims

The Company owns certain mineral claims in the Lillooet Mining Division, British Columbia.

(d) During the three and nine month periods ended December 31, 2018, the Company also incurred general exploration expenditures of $23,360 (2017 - $25,861) and $100,614 (2017 - $40,842), respectively, in connection with its exploration properties, and due diligence and exploration on mining projects.

Realization of assets

The investment in and expenditures on exploration and evaluation assets comprise a significant portion of the Company’s assets. Realization of the Company’s investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

7. EXPLORATION AND EVALUATION ASSETS (continued)

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Title to exploration and evaluation assets

Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by an undetected defect.

Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. 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 mineral properties, the potential for production on the property may be diminished or negated.

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, discharge of hazardous material 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 current or former properties that may result in material liability to the Company.

8. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued

There were no common shares issued during the nine month period ended December 31, 2018.

During the quarter ended September 30, 2018, the Company received $2,328,475 in consideration in the form of 9,003,467 common shares of Levon as part of the proceeds received from the sale of investments (Note 4). The 9,003,467 common shares of Levon were returned to Treasury and cancelled on September 26, 2018.

During the nine month period ended December 31, 2017, the Company issued 250,000 shares pursuant to exercises of stock options raising cash proceeds for the Company of $40,000. In connection with the exercise of stock options the Company allocated $29,857 from contributed surplus to share capital.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (continued)

Subsequent to the period ended December 31, 2017, the Company issued 1,125,000 shares pursuant to exercises of stock options raising cash proceeds for the Company of $180,000. At December 31, 2017, the Company recorded the cash of $180,000 received in advance of the completion of the stock option exercise in deposit liabilities in the consolidated statements of financial position.

Share Purchase Warrants

There was no share purchase warrant activity during the nine month periods ended December 31, 2018 and 2017.

A summary of share purchase warrants issued and outstanding as at December 31, 2018, and March 31, 2018, is as follows:

Expiry Date	Exercise Price	Outstanding December 31, 2018	Outstanding March 31, 2018
February 13, 2020	$ 0.50	2,571,214	2,571,214

Stock options

The Company has a stock option plan implemented in 2015 (the "Plan") authorizing the grant of stock options. Pursuant to the Plan, the Company may grant stock options totaling in aggregate up to 10% of the Company's total number of shares issued and outstanding on a non-diluted basis. The Plan provides for the granting of stock options to Eligible Persons (as defined by the policies of the TSX) up to a limit of 5% of the Company's total number of issued and outstanding shares per year.

The Plan provides for the vesting of stock options over a period of one year or as otherwise determined by the Company's Board of Directors at the time of the grant. The option price must be greater than or equal to the discounted market price on the grant date and the option expiry date cannot exceed five years from the grant date.

Stock option activity during the nine month periods ended December 31, 2018 and 2017 are shown below:

	Underlying Shares	Weighted Average Exercised Price
Stock options outstanding, March 31, 2017	**10,221,000**	**$0.17**
Exercised	(250,000)	$0.16
Stock options outstanding, December 31, 2017	**9,971,000**	**$0.17**
Exercised	(1,125,000)	$0.16
Stock options outstanding, March 31, 2018	**8,846,000**	**$0.17**
Exercised	-	-
Stock options outstanding, December 31, 2018	**8,846,000**	**$0.17**

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (continued)

Stock options (continued)

A summary of stock options outstanding and exercisable as at December 31, 2018 and March 31, 2018 is as follows:

		Stock Options Outstanding		Stock Options Exercisable	
Expiry Date	**Exercise Price**	**December 31, 2018**	**March 31, 2018**	**December 31, 2018**	**March 31, 2018**
November 3, 2020	$ 0.16	8,346,000	8,346,000	8,346,000	8,346,000
August 17, 2021	$ 0.39	500,000	500,000	500,000	500,000
		8,846,000	**8,846,000**	**8,846,000**	**8,846,000**

Share-based payment expense is measured at fair value and recognized over the vesting period from the date of the grant. For the three and nine month periods ended December 31, 2018, share-based payment expense of $Nil (2017 - $Nil) and $Nil (2017 - $30,214), respectively, was recognized in the consolidated statements of operations and comprehensive loss.

9. RELATED PARTY TRANSACTIONS

Key management transactions

The Company has identified its directors and certain senior officers as its key management personnel. The total compensation paid or payable to the directors, CEO, CFO, VP Exploration and Corporate Secretary of the Company for the three and nine month periods ended December 31, 2018 and 2017 are as follows:

	Three months ended December 31, 2018	Three months ended December 31, 2017	Nine months ended December 31, 2018	Nine months ended December 31, 2017
Consulting and management fees (i)(ii)	$ 163,178	$ 177,593	$ 512,136	$ 534,648
	$ 163,178	**$ 177,593**	**$ 512,136**	**$ 534,648**

(i) For the nine month period ended December 31, 2018, $44,210 (2017 – $60,910) was included as exploration expenses and $44,210 (2017 – $25,948) included as general exploration expenses.
(ii) Consulting and management fees were paid to private companies controlled by the CEO, CFO, VP Exploration and Corporate Secretary of the Company.

Due to related parties

As at December 31, 2018, the due to related parties balance includes $15,303 owing to key management personnel (March 31, 2018 - $29,707).

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS (continued)

Commitments with related parties

The Company has commitments for future minimum payments in respect of consulting agreements with key management personnel as follows:

		December 31, 2018
Not later than one year	$	532,038
Later than one year and no later than five years		743,489
	$	**1,275,527**

Included in the above table are the following consulting contracts with key management:

(i) A consulting agreement with the Company's VP Exploration with a five year term ending June 30, 2020, which may be terminated by the Company at any time by paying USD $22,500 plus USD $7,500 for each whole or partial year since the effective date.

(ii) A consulting agreement with the Company's CEO with a three year term ending August 31, 2021, which may be terminated by the Company at any time by paying USD $700,000.

10. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and development of mineral properties.

11. COMMITMENTS

The Company's commitments for future minimum payments in respect of operating lease agreements as at December 31, 2018 and March 31, 2018 are as follows:

		December 31, 2018		March 31, 2018
Not later than one year	$	37,374	$	41,876
	$	**37,374**	**$**	**41,876**

12. FAIR VALUE MEASUREMENTS

The Company measures certain of its financial assets at fair value on a recurring basis and these are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 inputs having the highest priority.

The levels of the fair hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 – Inputs for the asset or liability that are not based on observable market data.

(Expressed in Canadian Dollars)

12. FAIR VALUE MEASUREMENTS (continued)

Cash and cash equivalents are carried at fair value in accordance with Level 1 of the fair value hierarchy. Investment securities are accounted for at fair value based on quoted market prices in accordance with Level 1 of the fair value hierarchy. The carrying amount of reclamation deposits approximate their fair value in accordance with Level 2 of the fair value hierarchy as the stated rates approximate market rates of interest.

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as at December 31, 2018.

	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 1,639,062	$ -	$ -
Investments	$ 30,117	$ -	$ -
Reclamation deposits	$ -	$ 32,629	$ -

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as at March 31, 2018.

	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 572,260	$ -	$ -
Investments	$ 5,204,366	$ -	$ -
Reclamation deposits	$ -	$ 32,629	$ -