GEODEX MINERALS LTD.

FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2017 AND 2016

(EXPRESSED IN CANADIAN DOLLARS)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Geodex Minerals Ltd.

We have audited the accompanying financial statements of Geodex Minerals Ltd., which comprise the statements of financial position as at March 31, 2017 and 2016 and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency), and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Geodex Minerals Ltd. as at March 31, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Geodex Minerals Ltd.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada | Chartered Professional Accountants

July 31, 2017

Geodex Minerals Ltd.
Statements of Financial Position
(Expressed in Canadian Dollars)

	As at March 31, 2017	As at March 31, 2016
ASSETS		
Current assets		
Cash (note 3)	**$ 7,218**	$ 2,239
Receivables (note 4)	**30,467**	36,469
Marketable securities (note 5)	**800**	300
Prepaid expenses and advances	**2,680**	2,680
Total assets	**$ 41,165**	$ 41,688
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (notes 7 and 12)	**$ 900,805**	$ 591,049
Loan from related party (note 12)	**44,275**	10,000
Total liabilities	**945,080**	601,049
Shareholders' equity (deficiency)		
Share capital (note 9)	**31,501,743**	31,501,743
Reserves (notes 8 and 10)	**4,114,529**	4,114,529
Deficit	**(36,520,187)**	(36,175,633)
Total shareholders' equity (deficiency)	**(903,915)**	(559,361)
Total liabilities and shareholders' equity (deficiency)	**$ 41,165**	$ 41,688

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

Nature of operations and going concern (note 1)

Approved on behalf of the Board:

"Gorden Glenn", Director

"John Anderson", Director

Geodex Minerals Ltd.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year ended March 31, 2017	Year ended March 31, 2016
Operating expenses		
Accounting and audit	**$ 45,849**	$ 24,895
Consulting fees (note 12(b))	**240,000**	265,605
Director fees (note 12(b))	**28,000**	89,000
Investor relations	**13,462**	9,335
Legal (note 12(a))	**13,174**	15,447
Office and miscellaneous	**3,158**	2,739
Transfer agent and regulatory fees	**33,494**	32,764
Travel and promotion	**-**	11,584
Loss for the year before other items	**(377,137)**	(451,369)
Unrealized gain on marketable securities (note 5)	**500**	50
Gain on forgiveness of accounts payable	**32,083**	-
Net loss and comprehensive loss for the year	**$ (344,554)**	$ (451,319)
Basic and diluted net loss per share	**$ (0.12)**	$ (0.20)
Weighted average number of common shares outstanding (basic and diluted)	**2,779,827**	2,201,608

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

Geodex Minerals Ltd.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year ended March 31, 2017	Year ended March 31, 2016
Operating activities		
Net loss for the year	**$ (344,554)**	$ (451,319)
Adjustments for:		
Unrealized gain on marketable securities	**(500)**	(50)
Gain on forgiveness of accounts payable	**(32,083)**	-
Changes in non-cash working capital items:		
(Increase) decrease in receivable	**6,002**	(22,490)
Increase in prepaid expenses and advances	**-**	(2,680)
Increase in accounts payable and accrued liabilities	**341,839**	375,192
Net cash used in operating activities	**(29,296)**	(101,347)
Financing activities		
Proceeds from issuance of Special Warrants	**-**	95,250
Share issue costs	**-**	(13,202)
Loan from related party	**34,275**	10,000
Net cash provided by financing activities	**34,275**	92,048
Net change in cash	**4,979**	(9,299)
Cash, beginning of year	**2,239**	11,538
Cash, end of year	**$ 7,218**	$ 2,239

During the years ended March 31, 2017 and 2016, there were no non-cash financing or investing activities.

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

Geodex Minerals Ltd.

Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian Dollars)

	Share Capital		Reserves			
	Number of shares	**Amount**	**Warrants**	**Share-based compensation reserve**	**Deficit**	**Total**
Balance, March 31, 2015	**2,109,827**	**$ 31,419,695**	**$ -**	**$ 4,114,529**	**$ (35,724,314)**	**$ (190,090)**
Special warrants	-	-	95,250	-	-	95,250
Conversion of Special warrants to common shares and warrants	670,000	95,250	(95,250)	-	-	-
Share issue costs	-	(13,202)	-	-	-	(13,202)
Net loss and comprehensive loss for the year		-	-	-	(451,319)	(451,319)
Balance, March 31, 2016	**2,779,827**	**$ 31,501,743**	**$ -**	**$ 4,114,529**	**$ (36,175,633)**	**$ (559,361)**
Net loss and comprehensive loss for the year		-	-	-	(344,554)	(344,554)
Balance, March 31, 2017	**2,779,827**	**$ 31,501,743**	**$ -**	**$ 4,114,529**	**$ (36,520,187)**	**$ (903,915)**

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

1. Nature of operations and going concern

Geodex Minerals Ltd. (the “Company”) was incorporated under the British Columbia Business Corporations Act. The Company’s head office is located at 365 Bay Street, Suite 400, Toronto, Ontario, M5H 2V1 and it is listed on the TSX-Venture ("TSXV") and Frankfurt exchanges under the symbol GXM and G2W, respectively.

On February 9, 2016, the Company completed a share consolidation of its common shares of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares (the "Share Consolidation"). As part of the Share Consolidation, the stock options and warrants were also consolidated and the exercise price adjusted to reflect the consolidation. The Share Consolidation has been reflected retrospectively in these financial statements and all applicable references to the number of shares, warrants and stock options and their strike price and per share information have been restated.

The Company has been in the business of acquiring exploration and evaluation assets and in June 2015, the Company initiated the strategy of becoming an integrated metal trading and resources company. On July 22, 2015, the Company signed a non-binding letter of intent ("LOI") with the shareholders of Goldway S.R.L. ("Goldway"), in order for the Company to acquire 100% of the capital stock of Goldway. On January 22, 2016, the Company revised the terms of the acquisition purchase price (note 16).

As at March 31, 2017, the Company has a working capital deficit of $903,915 (March 31, 2016 – $559,361) and an accumulated deficit of $36,520,187 (March 31, 2016 – $36,175,633). The Company expects to incur further losses in the development of its business. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. Significant accounting policies

Statement of compliance

The Company applies 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”). These financial statements were authorized for issue by its directors on July 31, 2017.

Basis of preparation

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss which are stated at their fair-value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

2. Significant accounting policies (continued)

Foreign currency transactions

The Company's reporting currency and the functional currency of its operations is the Canadian dollar as this is the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are translated at the exchange rate in effect at the date of the transaction. Foreign denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates prevailing at the statement of financial position date. Exchange gains or losses arising on foreign currency translation are reflected in profit or loss for the year.

Impairment

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the year. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Exploration and evaluation assets and expenditures

Exploration and evaluation assets consist of payments to acquire mineral property rights and leases. Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Exploration and evaluation expenditures incurred prior to determining that a property has economically recoverable resources are expensed as incurred.

2. Significant accounting policies (continued)

Exploration and evaluation assets and expenditures (continued)

Once management has determined that, based on a feasibility study, a property is capable of economical commercial production as a result of having established proven and probable reserves the Company will first test for impairment and then reclassify to mineral and property development assets within property, plant, and equipment costs.

Once technical and commercial viability of a mineral resource has been demonstrated, capitalized costs are transferred to mining assets and costs are depleted on a units-of-production basis over the life of the mine.

The Company reviews the carrying values of exploration and evaluation assets regularly with a view to assessing whether there has been any impairment in value, or whenever events or changes in circumstances that indicate the carrying value may not be recoverable. In the event the estimated discounted cash flows expected from its use or eventual disposition is determined to be insufficient to recover the carrying value of the exploration and evaluation assets, the carrying value is written down to the estimated recoverable amount.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Provisions

Rehabilitation provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for a rehabilitation obligation is recognized at its fair value in the year in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with reclamation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized asset retirement costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (interest expense) and changes in the estimated future cash flows underlying any initial estimates (additional rehabilitation costs).

The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to profit or loss.

The Company had no rehabilitation provisions as at March 31, 2017 and 2016.

Other provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

The Company had no other provisions as at March 31, 2017 and 2016.

2. Significant accounting policies (continued)

Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss. The Company's cash and marketable securities are classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in profit or loss. At March 31, 2017 and 2016, the Company has not classified any financial assets as available for sale.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities. At March 31, 2017 and 2016, the Company has not classified any financial liabilities as FVTPL.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and accrued liabilities and loan from related party are classified as other financial liabilities.

2. Significant accounting policies (continued)

Earnings (Loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Income taxes

Current tax is the expected tax payable or receivable on the local taxable income or loss for the year, using local tax rates enacted or substantively enacted at the financial position reporting date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the financial position reporting date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

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. 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.

Significant accounting estimates and judgments

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of financial position and the reported amount of revenues and expenses during the reporting year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Significant accounts that require estimates as the basis for determining the stated amounts include the fair value of financial instruments, deferred taxes and share-based compensation.

Critical judgements exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

2. Significant accounting policies (continued)

Significant accounting estimates and judgments (continued)

i) Valuation of share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity settled benefits.

Flow-through shares

Flow-through shares are securities issued to investors whereby the deductions for tax purposes related to resource exploration and evaluation expenditures may be claimed by investors instead of the entity. On issuance, any premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability.

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. As eligible expenditures are incurred, the flow-through share premium liability associated with the renounced tax deductions is recognized through profit or loss with a pro-rata portion of the flow-through share premium liability.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component, the common share issued, based on fair value and then the residual value, if any, to the less easily measurable component. The balance, if any, is allocated to the attached warrants. Any residual value attributed to the warrants is recorded as reserves.

Share-based compensation

The Company's stock option plan allows employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based compensation expense with a corresponding increase in share compensation reserve. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from share compensation reserve to share capital.

The fair value is measured at grant date and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

Share-based compensation to non-employees, who are not providing similar services to employees, are measured at the grant date by using the fair value of the goods or services when received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services received cannot be reliably measured.

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after April 1, 2017. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.

IFRS 9: New standard that replaced IAS 39 for classification and measurement outlines the requirements for the recognition and measurement of financial assets, financial liabilities, and some contracts to buy or sell non-financial items. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

IFRS 15: New standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. IFRS 15 is effective for annual periods beginning on or after January 1, 2018.

IFRS 16: New standard introducing a single accounting model for lessess and for all leases with a term of more than 12 months, unless the underlying asset is of low value. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted.

3. Cash

	March 31, 2017	**March 31, 2016**
Cash	**$ 5,752**	$ -
Cash held in trust account	**1,466**	2,239
	$ 7,218	$ 2,239

4. Receivable

	March 31, 2017	**March 31, 2016**
HST receivable	**$ 30,467**	$ 36,469

5. Marketable securities

The Company holds 5,000 shares in Cache Exploration Inc. ("Cache") as part of a property option agreement. The shares have been re-valued at March 31, 2017 to their fair market value of $800 (March 31, 2016 – $300).

(Expressed in Canadian Dollars)

6. Exploration and evaluation assets

As at March 31, 2017, all related exploration and evaluation assets had been written off as the Company has changed its focus towards metals trading.

There were no exploration expenditures during the years ended March 31, 2017 or 2016.

7. Accounts payable and accrued liabilities

	March 31, 2017	March 31, 2016
Accounts payables	**$ 581,164**	$ 360,449
Accrued liabilities	**319,641**	230,600
	$ 900,805	$ 591,049

8. Special warrants

On July 3, 2015 (the "Closing Date"), the Company issued 635,000 special warrants ("Special Warrant") at a price of $0.15 per Special Warrant for gross proceeds of $95,250. Each Special Warrant will automatically convert to one unit (each a "Unit") of the Company. Each Unit is comprised of 1 post-consolidation common share (each a "Unit Share") and one half post-consolidation warrants (each whole warrant a "Warrant") if the Company completes its Share Consolidation. Each Warrant is exercisable at a price of $0.20 for a period of 24 months from the Closing Date. The Special Warrants, the Unit Shares and the Warrants are subject to a four month hold period after the Closing Date.

The Company made its reasonable best efforts to complete the Share Consolidation. If the Share Consolidation was not satisfied on or before the six month anniversary of the Closing Date, the Special Warrants would be redeemed at the subscription price for the Special Warrants with interest at the rate of 10% per annum. If the Share Consolidation was completed on or before the six month anniversary of the Closing Date, the Special Warrants would deemed to be exchanged for no additional consideration at 5:00 p.m. (Toronto time) on the date on which the Share Consolidation was completed.

On January 22, 2016, the Company revised the number of Special Warrants to 670,000 and received approval to extend the date of the Share Consolidation to February 1, 2016 and on February 9, 2016, the Share Consolidation became effective.

On February 9, 2016, upon completion of the Share Consolidation, the 670,000 Special Warrants automatically converted to 670,000 Units of the Company (note 9(b)(i)).

(Expressed in Canadian Dollars)

9. Share capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares without par value and unlimited number of Class A preference shares without par value.

b) Common shares issued

As at March 31, 2017, the Company had 2,779,827 common shares outstanding with a book value of $31,501,743. During the year ended March 31, 2017, there was no change to the share capital.

(i) On February 9, 2016, upon the completion of the Share Consolidation, the previously issued 670,000 Special Warrants of the Company, which includes 35,000 Special Warrants issued to certain finders in lieu of cash, were automatically exercised into 670,000 Units of the Company. Each Unit is comprised of one common share and one-half of one common share purchase warrant of the Company (each whole warrant, a "Warrant"), whereby each Warrant entitles the holder thereof to purchase one common share at a price of $0.20 per common share on or before July 17, 2017. The fair value of the Warrants was $Nil which was determined in accordance with the Company's accounting policy of applying the residual value method.

10. Stock options and warrants

Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price, minimum price or a discounted price, of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of ten years and vesting is determined by the Board of Directors.

	Number of options		Weighted average exercise price
Balance, March 31, 2015	201,500	$	1.01
Options cancelled	(32,500)		0.50
Balance, March 31, 2016	169,000	$	1.11
Options cancelled	(117,000)		1.11
Balance, March 31, 2017	52,000	$	1.10

The following table reflects the stock options issued and outstanding and exercisable as of March 31, 2017:

Expiry date	Exercise price ($)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
January 11, 2018 *	1.20	0.78	26,000	26,000
January 16, 2019 **	1.00	1.80	26,000	26,000
		1.29	52,000	52,000

(Expressed in Canadian Dollars)

10. Stock options and warrants (continued)

Stock options (continued)

* 20,000 options were cancelled subsequent to year end.
** 20,000 options were cancelled subsequent to year end.

Warrants

Warrants transactions were as follows:

	Number of warrants		Weighted average exercise price
Balance, March 31, 2015	30,000	$	0.70
Issued	335,000		0.20
Balance, March 31, 2016	365,000	$	0.24
Expired	(30,000)		0.70
Balance, March 31, 2017	335,000	$	0.20

As at March 31, 2017, the Company had outstanding share purchase warrants, enabling the holders to acquire common shares as follows:

Expiry date	Exercise price ($)	Number of warrants outstanding	Weighted average remaining life (years)
July 17, 2017 *	0.20	335,000	0.30

* Warrants expired unexercised subsequent to year end.

11. Income taxes

(a) A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2017		2016
Loss before income taxes	$	(344,554)	$	(451,319)
Combined statutory income tax rate		26%		26%
Expected income tax recovery:		(90,000)		(117,000)
Adjustments to benefit resulting from:				
Changes in statutory tax rates and other		3,000		(4,000)
Permanent differences		-		1,000
Share issue costs		(3,000)		(3,000)
Change in unrecognized deductible temporary differences		90,000		123,000
Income tax recovery	$	-	$	-

(Expressed in Canadian Dollars)

11. Income taxes (continued)

(b) The significant components of the Company's unrecorded deferred tax assets are as follows:

	March 31, 2017	March 31, 2016
Deductible temporary differences		
Exploration and evaluation assets	$ 1,063,000	$ 1,064,000
Share issue costs	3,000	5,000
Allowable capital losses	1,275,000	1,275,000
Non-capital losses available for future periods	430,000	337,000
	$ 2,771,000	$ 2,681,000

(c) The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2017	Expiry Date Range	2016	Expiry Date Range
Temporary Differences				
Exploration and evaluation assets	$ 3,466,000	No expiry date	$ 3,471,000	No expiry date
Investment tax credits	218,000	2029 to 2035	218,000	2029 to 2035
Share issue costs	11,000	2037 to 2040	18,000	2036 to 2038
Allowable capital losses	4,903,000	No expiry date	4,903,000	No expiry date
Non-capital losses available for future periods	1,655,000	2032 to 2036	1,297,000	2032 to 2035

Tax attributes are subject to review, and potential adjustment, by tax authorities.

12. Related party transactions

(a) The Company entered into the following transactions with related parties recorded as legal fees and share issue costs:

	Year ended March 31, 2017	Year ended March 31, 2016
Irwin Lowy LLP (i)	**$ 13,174**	$ 26,343

(i) A director of the Company is a partner at Irwin Lowy LLP, a law firm, and these fees related to professional services provided by the firm. As at March 31, 2017, the Company owed $26,883 (March 31, 2016 - $21,131) to this firm and this amount was included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing with no fixed terms of repayment.

(Expressed in Canadian Dollars)

12. Related party transactions (continued)

(b) Compensation of key management personnel of the Company:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of the Board of Directors, corporate officers, including the Interim Chief Executive Officer and Interim Chief Financial Officer, as well as the Vice President of Exploration and the Country Manager.

	Year ended March 31, 2017	Year ended March 31, 2016
Consulting fees	**$ 240,000**	$ 265,605
Director's fees	**28,000**	89,000
	$ 268,000	$ 354,605

As at March 31, 2017, accounts payable and accrued liabilities included $848,861 (March 31, 2016 - $489,763) owing to former directors, former officers and a company controlled by the Interim Chief Executive Officer. As at March 31, 2017, a loan for $44,275 (March 31, 2016 - $10,000) was owed to the Interim Chief Executive Officer. The loan bears no interest and has no fixed terms of repayment.

13. Financial instruments and risk management

The fair value of cash and marketable securities are measured based on level 1 of the fair value hierarchy. The fair values of receivable, accounts payable and accrued liabilities and loan from related party approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

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

Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s credit risk is primarily attributable to cash and receivables. The Company places its cash in major financial institutions. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote.

Liquidity risk

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of March 31, 2017, the Company had a cash balance of $7,218 to settle current liabilities of $945,080. All of the Company’s financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

13. Financial instruments and risk management (continued)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Foreign currency risk

The Company is nominally exposed to foreign currency risk on fluctuations related to assets and liabilities that are denominated in US Dollars.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's loss due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

Sensitivity analysis

The Company holds marketable securities which would give rise to exposure to price risk. Sensitivity to a plus or minus 10% change in the market price of the marketable securities would affect the loss and comprehensive loss by approximately $80.

Fair value hierarchy

Receivables have been classified as loans and receivables and are measured at amortized cost. Accounts payable and accrued liabilities and loan from related party are classified as other financial liabilities and are measured at amortized cost. Cash and marketable securities are classified as fair value through profit and loss ("FVTPL") and carried at fair value.

IFRS 7 - Financial Instruments: Disclosures requires classification of fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value 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; and,
Level 3: Inputs for the asset or liability that are not based on observable market data.

As at March 31, 2017 and March 31, 2016, none of the Company's financial instruments were held at fair value other than cash and marketable securities which were classified as level 1 financial instruments.

14. Capital management

The Company defines capital that it manages as shareholders' deficiency, consisting of share capital, reserve and deficit.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

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

There was no change in management's approach to capital management during the year ended March 31, 2017.

15. Segmented information

The Company operates in one reporting segment, being the acquisition and exploration of exploration and evaluation assets in Canada.

16. Proposed transaction

The Company entered into an LOI with Goldway (the "Acquisition") on July 22, 2015 (as amended on January 22, 2016) for the purchase of 100% of the capital stock of Goldway. In accordance with the Acquisition, which requires TSXV approval, consideration would be as follows:

i) US$100,000 on closing of the Acquisition;
ii) 5,000,000 common shares in the capital of the Company (the "**Geodex Shares**"), that will be subject to re-sale restrictions of one-third (1/3) on each of the dates that are six (6) months, twelve (12) months and eighteen (18) months following completion of the Transaction; and
iii) Future cash payments equal to:

- 10% of the operating earnings ("Earnings before Interests, Taxes, Depreciation and Amortization ("EBITDA")) for the first year following closing of the Acquisition;
- 9.5% of EBITDA for the second year following closing of the Acquisition; and
- 9.0% of EBITDA for the third year and each year thereafter following closing of the Acquisition until total payments amount to US$500,000.

In the event that Goldway has minimum EBITDA of US$1,000,000 for the 12 month period following the closing of the Acquisition, Goldway may elect to receive a one-time payment of US$500,000 in lieu of the annual payments disclosed above.

17. Subsequent events

On July 28, 2017, the Company issued 1,642 Units for gross proceeds of $1,477,800. Each units consists of 1,500 common share of the Company, one note in the principal amount of $1,000 bearing a coupon of 10% payable semi-annually and 1,500 share purchase warrants. Each warrant allows the holder to purchase on common share of the Company at a price of $0.10 for five years from the date of issuance. The Company paid finder's fees totalling $57,348 in connection with the first tranche. The Units and funds are held in escrow pending TSXV approval.