



Kintavar Exploration Inc.

Unaudited Condensed Interim Financial Statements

Three months ended March 31, 2018

The attached financial statements have been prepared by Management of Kintavar Exploration Inc. and have not been reviewed by the auditors

Kintavar Exploration Inc.

Statements of Financial Position

(Unaudited, in Canadian Dollars)

	Note	As at March 31, 2018 \$	As at December 31, 2017 \$
Assets			
Current assets			
Cash and cash equivalents	4	699,256	1,095,504
Sales tax receivable		56,658	147,301
Tax credits and mining rights receivable		117,097	117,097
Prepaid expenses and others		26,883	4,757
Current assets		899,894	1,364,659
Non-current assets			
Exploration and evaluation assets	5	2,980,653	2,977,810
Property and equipment	6	75,519	6,364
Non-current assets		3,056,172	2,984,174
Total assets		3,956,066	4,348,833
Liabilities			
Current liabilities			
Trade and other payables		154,738	240,914
Obligations under finance leases	7	13,137	2,305
Liability related to the premium on flow-through shares		12,535	69,227
Current liabilities		180,410	312,446
Non-current liabilities			
Obligations under finance leases	7	66,767	4,508
Non-current liabilities		66,767	4,508
Total liabilities		247,177	316,954
Equity			
Share capital		7,363,573	7,127,210
Warrants	9	188,653	234,205
Broker options	10	10,904	12,448
Stock options		118,723	100,921
Contributed surplus		176	176
Deficit		(3,973,140)	(3,443,081)
Total equity		3,708,889	4,031,879
Total liabilities and equity		3,956,066	4,348,833

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

Kintavar Exploration Inc.

Statements of Loss and Comprehensive Loss (Unaudited, in Canadian Dollars)

		Three months ended March 31,	
	Note	2018	2017
		\$	\$
Operating Expenses			
Exploration and evaluation, net of tax credits	12	370,636	409,764
Salaries and benefits		45,938	26,792
Share-based compensation		21,832	-
Professional fees		26,270	11,397
Travel, conference and investor relations		95,203	2,318
Administration		6,759	1,258
Filing fees		6,992	1,250
Rent		2,250	-
Insurances and taxes		2,100	-
Depreciation of property and equipment		7,005	-
Listing expense		-	750,071
Operating loss		(584,985)	(1,202,850)
Other income (expenses)			
Interest income		54	-
Finance costs		(1,820)	-
		(1,766)	-
Net loss before income taxes		(586,751)	(1,202,850)
Deferred income taxes recovery		56,692	221,193
Net loss and comprehensive loss		(530,059)	(981,657)
Basic and diluted loss per share		(0.010)	(0.051)
Weighted average number of basic and diluted outstanding shares		54,934,219	19,417,371

Net loss and comprehensive loss is entirely attributable to Kintavar Exploration Inc.'s shareholders.

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

Kintavar Exploration Inc.

Statements of Changes in Equity

(Unaudited, in Canadian Dollars)

	Note	Number of shares outstanding	Capital stock	Warrants	Broker Options	Stock Options	Contributed surplus	Deficit	Total equity
			\$	\$	\$	\$	\$	\$	\$
Balance at January 1, 2017		17,168,786	2,398,652	47,061	-	-	-	(1,012,327)	1,433,386
Loss and comprehensive loss for the period		-	-	-	-	-	-	(981,657)	(981,657)
Acquisition of mining properties from GéoMéga Resources Inc.		17,857,143	2,500,000	-	-	-	-	-	2,500,000
Issuances to investors of Black Springs Capital Corp. as part of the amalgamation									
• Class A common Shares		4,125,000	577,500	-	-	-	-	-	577,500
• Stock options		-	-	-	-	4,000	-	-	4,000
Issuance of shares as part of finder's fee		571,428	80,000	-	-	-	-	-	80,000
Issuance of shares under a private placement		5,173,293	599,112	125,149	-	-	-	-	724,261
Issuance of shares under a flow-through private placement		1,183,510	213,032	-	-	-	-	-	213,032
• Less: premium		-	(47,340)	-	-	-	-	-	(47,340)
Share issuance costs		-	(30,510)	(4,471)	2,832	-	-	-	(32,149)
Balance at March 31, 2017		46,079,160	6,290,446	167,739	2,832	4,000	-	(1,993,984)	4,471,033

	Note	Number of shares outstanding	Capital stock	Warrants	Broker Options	Stock Options	Contributed surplus	Deficit	Total equity
			\$	\$	\$	\$	\$	\$	\$
Balance at January 1, 2018		54,406,503	7,127,210	234,205	12,448	100,921	176	(3,443,081)	4,031,879
Loss and comprehensive loss for the period		-	-	-	-	-	-	(530,059)	(530,059)
Exercised stock options		38,750	9,455	-	-	(4,030)	-	-	5,425
Exercised warrants		975,200	221,088	(45,552)	-	-	-	-	175,536
Exercised broker options		23,758	5,820	-	(1,544)	-	-	-	4,276
Stock-based compensation		-	-	-	-	21,832	-	-	21,832
Balance at March 31, 2018		55,444,211	7,363,573	188,653	10,904	118,723	176	(3,973,140)	3,708,889

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

Kintavar Exploration Inc.

Statements of Cash Flows (Unaudited, in Canadian Dollars)

		Three months ended March 31,	
	Note	2018	2017
		\$	\$
Operating activities			
Net loss for the period		(530,059)	(981,657)
Adjustments for:			
Non-cash components of listing expense		-	570,788
Stock-based compensation		21,832	-
Impairment of exploration and evaluation assets		7,005	-
Flow through premium		(56,692)	(144,180)
Deferred income tax recovery		-	(77,013)
Changes in non-cash working capital items			
Sales tax receivable		90,643	(64,438)
Tax credits and mining rights receivable		-	-
Prepaid expenses and others		(22,126)	-
Trade and other payables		(86,176)	331,782
Cash flows used in operating activities		(575,573)	(364,718)
Investing activities			
Cash acquired through the amalgamation with Black Springs		-	90,712
Additions of exploration and evaluation assets		(2,843)	(16,346)
Cash flows used in investing activities		(2,843)	74,366
Financing activities			
Private placements		-	724,261
Flow-through private placements		-	213,032
Share issuance costs		-	(34,751)
Warrants exercised		175,536	-
Broker warrants exercised		4,276	-
Options exercised		5,425	-
Finance costs		(3,069)	-
Cash flows from (used) in financing activities		182,168	902,542
Net change in cash and cash equivalents		(396,248)	612,190
Cash and cash equivalents – beginning		1,095,504	1,071,784
Cash and cash equivalents – ending		699,256	1,683,974
Additional information			
Interest received		54	-
Acquisition of exploration and evaluation assets through issuance of shares		-	2,500,000
Property and equipment acquired pursuant to capital lease obligation		76,160	-

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

Kintavar Exploration Inc.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2018

(Unaudited, in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Kintavar Exploration Inc. (the "Corporation") was formed on March 24, 2017 upon the issuance of an amalgamation certificate under the *Business Corporations Act* (Quebec) and is engaged in the acquisition, exploration and evaluation of mining properties in Canada. The Corporation's shares are listed on the TSX Venture Exchange (the "Exchange") under symbol KTR. The address of the Corporation's registered office and principal place of business is 75, boul. de Mortagne, Boucherville, Quebec, Canada, J4B 6Y4.

The Corporation has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the ability of the Corporation to obtain necessary financing to pursue the exploration and evaluation on its mining properties.

These unaudited condensed interim financial statements (the "Financial Statements") have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. For the three months ended March 31, 2018, the Corporation reported a net loss of \$530,059 and has accumulated a deficit of \$3,973,140 up to that date. As at March 31, 2018, the Corporation had working capital of \$719,484 (\$1,052,213 as at December 31, 2017).

Management estimates that the working capital will not be sufficient to meet the Corporation's obligations and commitments and budgeted expenditures for the next twelve months. These circumstances lend a significant doubt as to the ability of the Corporation to ensure its continuity of operation and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Corporation's ability to continue as a going concern as described in the preceding paragraph, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Financial Statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity or debt financing. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Corporation or that they will be available on terms which are acceptable to the Corporation. If management is unable to obtain new funding, the Corporation may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in the Financial Statements.

Kintavar Exploration Inc.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2018

(Unaudited, in Canadian Dollars)

2. BASIS OF PRESENTATION

These Financial Statements have been prepared in accordance with the 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. The Financial Statements should be read in conjunction with the annual financial statements for the year ended December 31, 2017, which have been prepared in accordance with IFRS. The accounting policies, methods of computation and presentation applied in these Financial Statements are consistent with those of the previous financial year.

The Board of Directors has approved the Financial Statements on May 28, 2018.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of Financial Statements in conformity with IFRS requires the Corporation to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The Corporation also makes estimates and assumptions concerning the future. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the Financial Statements, the significant judgements made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of Géomines for the year ended December 31, 2017.

4. CASH AND CASH EQUIVALENTS

The balance on flow-through financing not spent according to the restrictions imposed by the November and December 2017 financings represents \$94,391 as at March 31, 2018 and is included in cash and cash equivalents. The Corporation has to dedicate these funds to Canadian mining properties exploration.

Kintavar Exploration Inc.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2018

(Unaudited, in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

Mineral properties acquisition costs	As at Jan. 1, 2018	Additions	Disposal	Impairment	As at March. 31, 2018
	\$	\$	\$	\$	\$
Mitchi	871,365	279	-	-	871,644
Anik	1,918,950	-	-	-	1,918,950
Rivière à l'aigle	160,324	-	-	-	160,324
Gaspard nord	1,133	-	-	-	1,133
Cousineau	3,785	-	-	-	3,785
New Musher	8,883	-	-	-	8,883
Dalime	13,370	-	-	-	13,370
Generation	-	2,564	-	-	2,564
	2,977,810	2,843	-	-	2,980,653

Mineral properties acquisition costs	As at Jan. 1, 2017	Acquisition from GéoMégA ³⁾	Additions	Disposal	Impairment	As at Dec. 31, 2017
	\$	\$	\$	\$	\$	\$
Mitchi ³⁾	932,010	-	35,388	-	(96,033) ¹⁾	871,365
Anik	-	1,949,500	1,410	-	(31,960) ¹⁾	1,918,950
McDonald	-	371,250	577	-	(371,827) ²⁾	-
Rivière à l'aigle	-	148,000	17,874	-	(5,550) ¹⁾	160,324
Gaspard	-	9,750	-	-	(9,750) ²⁾	-
Gaspard nord	-	-	1,133	-	-	1,133
Lac Storm	-	2,250	273	-	(2,523) ²⁾	-
3G	-	10,500	-	-	(10,500) ²⁾	-
Comptois	-	1,000	-	(1,000)	-	-
Maryse	-	7,750	-	-	(7,750) ²⁾	-
Cousineau	-	-	3,785	-	-	3,785
New Musher	-	-	8,883	-	-	8,883
Dalime	-	-	13,370	-	-	13,370
	932,010	2,500,000	82,693	(1,000)	(535,893)	2,977,810

¹⁾ Some claims were dropped and the Corporation impaired partially the property.

²⁾ The Corporation dropped the property and wrote it off.

³⁾ GéoMégA Resources Inc.

Kintavar Exploration Inc.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2018

(Unaudited, in Canadian Dollars)

6. PROPERTY AND EQUIPMENT

	Vehicles
	\$
2018	
Net book value – opening	6,364
Additions	76,160
Depreciation	(7,005)
Net book value – closing	75,519
As at March 31, 2018	
Cost	84,060
Accumulated depreciation	(8,541)
Net book value – closing	75,519

	Vehicles
	\$
2017	
Net book value – opening	-
Additions	7,900
Depreciation	(1,536)
Net book value – closing	6,364
As at December 31, 2017	
Cost	7,900
Accumulated depreciation	(1,536)
Net book value – closing	6,364

7. OBLIGATIONS UNDER FINANCE LEASE

	As at March 31, 2018
	\$
Obligation under finance lease, at 27%, payable in monthly installments, maturing in May 2020. At the end of the term, the Corporation may buy the equipment at a price of \$10	6,293
Obligation under finance lease, at 7.3%, payable in monthly installments, maturing in January 2023. At the end of the term, the Corporation may buy the equipment at a price of \$15,232	73,611
Current portion	(13,137)
Obligation under finance lease non-current portion	66,767

The obligation under finance lease is as follows:

	1 year	1 to 5 years	Total
	\$	\$	\$
Minimum lease payments	19,559	78,572	98,131
Interest included in minimum lease payments	(6,422)	(11,805)	(18,227)
	13,137	66,767	79,904

Kintavar Exploration Inc.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2018

(Unaudited, in Canadian Dollars)

8. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of class A, B, C common shares and class A, B, C and D special shares. Only class A common shares ("Shares") are issued with the following restrictions and privileges: voting, participating with dividend as declared by the Board of Directors.

There are 14,404,101 shares held in escrow as at March 31, 2018.

9. WARRANTS

Changes in the Corporation's warrants are as follow:

	Three months ended March 31, 2018			2017		
	Number of warrants	Carrying Value	Weighted average exercise price	Number of warrants	Carrying Value	Weighted average exercise price
Balance, beginning	5,355,498	\$ 234,205	\$ 0.168	1,001,250	\$ 47,061	\$ 0.180
Issued	-	-	-	4,354,248	187,144	0.165
Exercised	(975,200)	(45,552)	0.180	-	-	-
Balance, end	4,380,298	188,653	0.165	5,355,498	234,205	0.168

Warrants outstanding as at March 31, 2018 are as follows:

Number of warrants	Exercise price	Expiry date
	\$	
840,000	0.18	December 30, 2018
1,772,697	0.18	March 24, 2019
42,500	0.24	July 27, 2019
795,454	0.14	November 15, 2019
929,647	0.14	December 28, 2019
4,380,298		

10. BROKER WARRANTS

Changes in the Corporation's broker options and finder warrants are as follow:

	Three months ended March 31, 2018			2017		
	Number of broker warrants	Carrying Value	Weighted average exercise price	Number of broker warrants	Carrying Value	Weighted average exercise price
Balance, beginning	210,198	\$ 12,448	\$ 0.150	-	\$ -	\$ -
Issued	-	-	-	210,198	12,448	0.15
Exercised	(23,758)	(1,544)	0.180	-	-	-
Balance, end	186,440	10,904	0.144	210,198	12,448	0.15

Kintavar Exploration Inc.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2018

(Unaudited, in Canadian Dollars)

10. BROKER WARRANTS (CONT'D)

Broker warrants outstanding as at March 31, 2018 are as follows:

Number of broker warrants	Exercise price	Expiry date
	\$	
19,810	0.18	March 24, 2019
53,830	0.14	November 28, 2019
112,800	0.14	December 28, 2019
186,440		

11. STOCK OPTIONS

Changes in stock options are as follow:

	Three months ended March 31, 2018		2017	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
		\$		\$
Balance, beginning	1,595,000	0.142	-	-
Replacement options issued upon the amalgamation	-	-	250,000	0.20
Granted	-	-	1,550,000	0.14
Exercised	(38,750)	0.140	-	-
Forfeited	-	-	(5,000)	0.14
Expired	-	-	(200,000)	0.20
Balance, end	1,556,250	0.142	1,595,000	0.14
Balance, end exercisable	710,000	0.144	361,250	0.15

Stock options outstanding as at March 31, 2018 are as follows:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		\$	
50,000	50,000	0.20	July 2, 2020
1,206,250	622,500	0.14	March 23, 2022
150,000	37,500	0.14	August 28, 2022
150,000	-	0.14	December 29, 2022
1,556,250	710,000		

Kintavar Exploration Inc.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2018

(Unaudited, in Canadian Dollars)

12. EXPLORATION AND EVALUATION EXPENSES

	Three months ended	
	March 31,	
	2018	2017
	\$	\$
Salaries and benefits	111,343	117,291
Geology and prospecting	18,937	4,977
Drilling	56,832	168,860
Analysis	35,246	563
Geophysics	68,010	53,019
Lodging and travel	23,749	45,241
Supplies	31,274	15,748
Taxes, permits and insurance	25,245	4,065
Exploration and evaluation expenses before tax credits	370,636	409,764
Tax credits	-	-
Exploration and evaluation expenses	370,636	409,764

13. SUBSEQUENT EVENTS

On April 6, 2018, the Corporation closed a private placement consisting of 6,250,000 units at a price of \$0.40 per unit for aggregate gross proceeds of \$2,500,000. Each unit being comprised of one Share and one half warrant, each whole warrant entitling the holder hereof to acquire one Share at a price of \$0.70 per Share for 2 years.