Wolfden Resources Corporation

Consolidated Financial Statements

(Stated in Canadian Dollars)

For the three months ended March 31, 2018 and 2017

WOLFDEN RESOURCES CORPORATION

WOLFDEN

NOTICE TO SHAREHOLDERS

FOR THE THREE MONTHS ENDED MARCH 31, 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed consolidated interim financial statements of Wolfden Resources Corporation were prepared by management in accordance with International Financial Reporting Standards ('IFRS"). Only changes in accounting policies have been disclosed in these unaudited condensed consolidated interim financial statements. Management acknowledges responsibility for the preparation and presentation of the unaudited condensed consolidated interim financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Corporation's circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial position, results of operations and cash flows of the Corporation, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed consolidated interim financial statements together with other financial information of the Corporation and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed consolidated interim financial statements together with other financial information of the Corporation. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed consolidated interim financial statements together with other financial information of the Corporation for issuance to the shareholders.

Management recognizes its responsibility for conducting the Corporation's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

In accordance with National Instrument 51-102 released by the Canadian Securities Administration, the Corporation discloses that its auditors have not reviewed the unaudited condensed consolidated interim financial statements for the period ended March 31, 2018.

WOLFDEN

(Incorporated under the laws of Ontario)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Stated in Canadian Dollars)

As at	**March 31 2018 $**	December 31 2017 $
ASSETS		
Current assets		
Cash and cash equivalents	**2,434,807**	2,981,692
Amounts receivable	**13,013**	149,611
Prepaid expenses	**3,122**	23,349
Investments *[note 5]*	**940,625**	938,363
Total current assets	**3,391,567**	4,093,015
Non-current assets		
Equipment and leaseholds *[note 6]*	**5,091**	5,267
Total assets	**3,396,658**	4,098,282
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**255,927**	419,048
Total current liabilities	**255,927**	419,048
EQUITY		
Share capital *[note 8]*	**28,476,322**	28,033,631
Equity settled employee benefits *[note 8]*	**1,012,041**	1,062,794
Deficit	**(26,347,632)**	(25,417,191)
Total equity	**3,140,731**	3,679,234
Total liabilities and equity	**3,396,658**	4,098,282

Going concern [note 1]
Commitments [note 11]

See accompanying notes to the consolidated financial statements

These financial statements are authorized for issue by the Board of Directors on May 22, 2018.

They are signed on the Corporation's behalf by:

"Don Hoy" Director

"Dan Mechis" Director

WOLFDEN

(Incorporated under the laws of Ontario)

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Stated in Canadian Dollars)

For the three months ending March 31,

	2018 **$**	2017 $
EXPENSES		
Depreciation *[note 6]*	**176**	5,376
Exchange loss	**1,369**	-
Exploration and evaluation expenses *[note 7]*	**731,190**	744,653
Flow through interest penalty	**4,097**	-
General and administrative expenses	**175,330**	115,384
Professional fees	**20,541**	5,880
	932,703	871,293
Loss before the following	**(932,703)**	(871,293)
Other income		
Investment income	**2,262**	2,862
Loss for the period	**(930,441)**	(868,431)
Comprehensive loss for period	**(930,441)**	(868,431)
Basic and diluted loss per share *[note 9]*	**(0.01)**	(0.01)

See accompanying notes to the consolidated financial statements

WOLFDEN

(Incorporated under the laws of Ontario)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Stated in Canadian Dollars)

For the three months ending March 31,

	2018 $	2017 $
OPERATING ACTIVITIES		
Loss for the period	**(930,441)**	(868,431)
Add charges (deduct gains) to earnings not involving a current payment of cash		
Depreciation	**176**	5,376
Non-cash general and administrative expenses (credit)	**-**	(1,250)
	(930,265)	(864,305)
Changes in non-cash working capital balances related to operations		
Accounts receivable	**136,598**	(29,931)
Prepaid and deferred transaction costs	**20,227**	(3,365)
Accounts payable and accrued liabilities	**(163,121)**	181,883
Cash used in operating activities	**(936,561)**	(715,718)
INVESTMENT ACTIVITIES		
Sale (purchase) of investments, net	**(2,262)**	249,080
Cash (used in) provided by investment activities	**(2,262)**	249,080
FINANCING ACTIVITIES		
Proceeds from shares issued in private placements	**217,500**	472,500
Proceeds from the exercise of warrants	**98,750**	-
Proceeds from the exercise of stock options	**75,688**	-
Share issue costs	**-**	(31,424)
Cash provided by financing activities	**391,938**	441,076
Decrease in cash and cash equivalents during period	**(546,885)**	(25,562)
Cash and cash equivalents, beginning of period	**2,981,692**	459,402
Cash and cash equivalents, end of period	**2,434,807**	433,840

See accompanying notes to the consolidated financial statements

WOLFDEN

(Incorporated under the laws of Ontario)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Stated in Canadian Dollars)

	Share Capital			Reserves			
Issued and outstanding:	Number of Shares	Share Capital		Equity Settled Employee Benefits	Foreign exchange differences	Deficit	Total Equity
Balance as at December 31, 2016	77,601,589	20,898,258		912,826	-	(20,137,821)	1,673,263
Private placement #1 *[note 8]*	3,500,000	472,500		-	-	-	472,500
Share issue costs	-	(31,424)		-	-	-	(31,424)
Share-based payments	-	-		(1,250)	-	-	(1,250)
Loss and comprehensive loss for the year						(868,431)	(868,431)
Balance as at March 31, 2017	81,101,589	21,339,334		911,576		(21,006,252)	1,244,658
Exercise of warrants *[note 8]*	2,409,091	456,818		-	-	-	456,818
Exercise of stock options *[note 8]*	321,250	101,115		(42,602)	-	-	58,513
Private placement #2 *[note 8]*	4,375,000	700,000		-	-	-	700,000
Private placement #3 *[note 8]*	1,500,000	675,000		-	-	-	675,000
Private placement #4 *[note 8]*	20,200,000	5,050,000		-	-	-	5,050,000
Share-based payments *[note 8]*	-	-		191,320	-	-	191,320
Share issue costs *[note 8]*	-	(207,386)		-	-	-	(207,386)
Share-based payments expensed through exploration	-	-		2,500	-	-	2,500
Shares issued for mineral property *[note 8]*	100,000	15,000		-	-	-	15,000
Flow-through share premium	-	(96,250)		-	-	-	(96,250)
Loss and comprehensive loss for the year	-	-		-	-	(4,410,939)	(4,410,939)
Balance as at December 31, 2017	**110,006,930**	**28,033,631**		**1,062,794**	**-**	**(25,417,191)**	**3,679,234**
Exercise of warrants *[note 8]*	525,000	98,750	-	-	-	-	98,750
Exercise of stock options *[note 8]*	318,750	126,441	-	(50,753)	-	-	75,688
Private placement *[note 8]*	750,000	217,500	-	-	-	-	217,500
Loss and comprehensive loss for the year	-	-	-	-	-	(930,441)	(930,441)
Balance as at March 31, 2018	**111,600,680**	**28,476,322**	**-**	**1,012,041**	**-**	**(26,347,632)**	**3,140,731**

See accompanying notes to the consolidated financial statements

WOLFDEN

(Incorporated under the laws of Ontario)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

1. NATURE OF BUSINESS

Wolfden Resources Corporation (the "Corporation" or "Wolfden") was incorporated under the laws of the Province of Ontario on August 12, 2009. The principal business activity of the Corporation is the acquisition, exploration and development of mineral properties that it believes contain mineralization that will be economically recoverable in the future.

Going concern

The Corporation, being in the exploration stage, is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital for exploration, development and operational risks inherent in the mining industry, global economic and metal price volatility and there is no assurance management will be successful in its endeavours. At March 31, 2018, the Corporation has no source of operating cash flows. The Corporation incurred a net loss of $930,441 for the period ended March 31, 2018 (March 31, 2017 - $868,431 and has accumulated a deficit of $26,347,632 since the inception of the Corporation. As at March 31, 2018, the Corporation had working capital of $3,135,640 (December 31, 2017 – $2,981,692) and the Corporation’s ability to continue as a going concern is dependent upon its ability to raise additional capital to continue the development of its mineral properties. During the year ended December 31, 2017, the Corporation raised gross proceeds of $7,412,831 through private placements of shares and warrants and the granting of direct interests in its mineral properties.

These material uncertainties cast significant doubt on the Corporation's ability to continue as a going concern. The Corporation’s continuance as a going concern is dependent upon its ability to obtain adequate financing or to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Corporation will attain profitable level of operation. These condensed consolidated interim financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of comprehensive loss classification that would be necessary should the Corporation be unable to continue as a going concern. These adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

The condensed consolidated interim financial statements of the Corporation for the period ended March 31, 2018 were approved and authorized by the Board of Directors on May 22, 2018.

Basis of consolidation

The Corporation's condensed consolidated interim financial statements consolidate those of its subsidiaries. The Corporation's subsidiaries are:

	Percentage of ownership	Jurisdiction	Principal activity
Wolfden Resources Canada Inc.	100%	Canada	Mineral exploration
Wolfden USA Inc.	100%	United States	Mineral exploration
Wolfden Mt. Chase LLC	100%	United States	Mineral exploration

All transactions and balances between the Corporation and its subsidiaries are eliminated on consolidation, including unrealized gains and losses on transactions between the companies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

3. RECENT ACCOUNTING PRONOUNCEMENTS

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements have been prepared on the basis of all IFRS and interpretations effective as at March 31, 2018.

Accounting standards issued and effective January 1, 2018

The Corporation has assessed the following changes to accounting standards and determined that there will be no material impact on the financial statements:

- IFRS 15, Revenue from Contracts with Customers establishes an single model in accounting for revenue arising from contracts with customers. This will supercede current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations

- IFRS 9, Financial Instruments introduces new requirements for the classification and measurement of financial assets and liabilities.

The Corporation has not applied the following revised or new IFRS that have been issued but were not yet effective at March 31, 2018.

Accounting standards issued and effective January 1, 2019

The Corporation is currently assessing the impact that the following changes to accounting standards will have on the financial statements:

- IFRS 16, Leases introduces new requirements for the classification and measurement of leases.

WOLFDEN

(Incorporated under the laws of Ontario)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

4. SEGMENTED INFORMATION

The Corporation's significant segments are represented by its separately identifiable exploration and evaluation properties (see *note 7* for disclosure by property). The Corporation also operates in two distinct geographic areas. The Canadian operations are managed from the Corporation's head office in Thunder Bay. The U.S. operations are managed from an office in Maine.

March 31, 2018

	Canada $	USA $	Total $
Segmented Assets	3,391,567	-	**3,391,567**
Segmented Liabilities	(255,927)	-	**(255,927)**
Operating activities			
Depreciation	176	-	**176**
Flow-through interest penalty	-	-	**-**
Exchange loss	1,369	-	**1,369**
Exploration and evaluation expenses	88,441	642,749	**731,190**
Flow-through interest penalty	4,097	-	**4,097**
General and administrative	175,330	-	**175,330**
Professional fees	20,541	-	**20,541**
Total	**289,954**	**642,749**	**932,703**

December 31, 2017

	Canada $	USA $	Total $
Segmented Assets	4,098,282	-	4,098,282
Segmented Liabilities	(419,048)	-	(419,048)
Operating activities			
Depreciation	10,258	-	10,258
Flow-through interest penalty	1,710	-	1,710
Exchange loss	249	-	249
Exploration and evaluation expenses	1,645,067	1,465,676	13,110,743
General and administrative	425,039	-	425,039
Professional fees	58,121	-	58,121
Share-based payments	191,320	-	191,320
Total	**2,331,764**	**1,465,676**	**13,797,440**

5. INVESTMENTS

At March 31, 2018, the Corporation holds guaranteed investment certificates of $187,440, maturing May 22, 2018, yielding 0.900% and guaranteed investment certificates of $751,185, maturing October 25, 2018, yielding 1.00% (December 31, 2017 - $187,027, maturing May 22, 2018, yielding 0.900% and guaranteed investment certificates of $751,336, maturing October 25, 2018, yielding 1.00%).

WOLFDEN

(Incorporated under the laws of Ontario)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

6. EQUIPMENT AND LEASEHOLDS

	Computer Equipment	Vehicles	Leaseholds	Total
	$	$	$	$
Cost				
Balance, March 31, 2017	13,120	27,068	88,148	128,336
Write-down of assets	-	-	(88,148)	(88,148)
Balance, December 31, 2017	13,120	27,068	-	40,188
Balance, March 31, 2018	**13,120**	**27,068**	**-**	**40,188**
Accumulated depreciation				
Balance, March 31, 2017	10,114	22,869	85,204	118,187
Depreciation for the period	960	978	2,944	4,882
Write-down of assets	-	-	(88,148)	(88,148)
Balance, December 31, 2017	11,074	23,847	-	34,921
Depreciation for the period	77	99	-	176
Balance, March 31, 2018	**11,151**	**23,946**	**-**	**35,097**
Carrying amounts				
December 31, 2017				5,267
March 31, 2018				**5,091**

* Leaseholds have been written down to $nil as the during the year Corporation's lease ended and was not renewed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

7. EXPLORATION AND EVALUATION

	Rice Island	Pickett Mountain	Teta-gouche	Orvan Brook	Other	Total for current period	2017	Total inception to date
Analytical / Sampling	-	11,210	-	1,950	-	**13,160**	5,809	**505,567**
Geological	-	65,312	-	23,843	16,008	**105,163**	66,793	**1,224,089**
Geophysical	2,719	97,731	-	-	-	**100,450**	135,465	**927,867**
Geochemical	-	-	1,852	-	-	**1,852**	10,607	**177,646**
Transportation/ Accommodation	-	25,893	-	1,257	472	**27,622**	21,293	**372,853**
Exploratory Drilling	-	418,501	-	-	-	**418,501**	445,291	**3,143,275**
Property Work	-	12,274	-	13,147	-	**25,421**	-	**512,337**
Operations Support	-	11,828	540	1,730	-	**14,098**	21,931	**206,164**
Administration	26,294	-	-	9,516	400	**36,210**	31,984	**539,720**
Total Exploration	29,013	642,749	2,392	51,443	16,880	**742,477**	739,173	**7,575,386**
Acquisition / Development Costs*	91	-	5,030	(18,000)	1,592	**(11,287)**	5,480	**20,613,071**
Total	29,104	642,749	7,422	33,443	18,472	**731,190**	744,653	**28,188,457**

*Included in acquisition / development costs is government assistance received.

Mineral property acquisitions and agreements

Maine, U.S.A.

Pickett Mountain Property, Maine, U.S.A

On November 16, 2017, the Corporation acquired a 100% interest in the Pickett Mountain Property (the “Property”), located in Penobscot County, northern Maine, U.S.A for a cash purchase price of $11,292,055 (US$8.5 million) (the “Acquisition”).

To fund the acquisition of the Property, the Corporation completed a Royalty Agreement that granted a 1.35% gross sales royalty on the Property to Altius Resources Inc. (“Altius”), a wholly owned subsidiary of Altius Minerals Corporation, for cash consideration of $7,663,800 (US$6,000,000) and completed a non-brokered private placement (the "Offering") of 20,200,000 subscription receipts ("Subscription Receipts") at a price of $0.25 per Subscription Receipt for gross proceeds of $5,050,000, with Altius subscribing for 14,200,000 Subscription Receipts. The subscription receipts were converted into 14,200,000 common shares of the Corporation.

Pursuant to the Royalty Agreement, Altius has the option to purchase an additional 0.50% gross sales royalty at any time before the first anniversary of commercial production for US$7,500,000. In addition, the Corporation granted Altius certain rights to convert the Pickett Mountain Royalty to equity under certain terms, or to exchange the royalty for a similar royalty on the Corporation's Orvan Brook property. Furthermore, the Corporation agreed to use its best efforts to transfer the timber rights in connection with the Pickett Mountain Project (the "Timber Rights") as soon as practicable. The gross proceeds to be received by Wolfden from the sale of the Timber Rights must be at least US$5,000,000 or such other amount as agreed to by Wolfden and Altius, acting reasonably (the "Timber Proceeds"). Upon such transfer, Wolfden is required to pay Altius 20% of the Timber Proceeds (such 20% amount being the "Timber Rights Consideration"), and deposit into escrow the amount equal to the greater of: (i) US$2,000,000, and (ii) 50% of the difference between the Timber Proceeds and the Timber Rights Consideration (the "Escrowed Proceeds"). The Escrowed Proceeds will be released in accordance with the terms of the Royalty Agreement. Any remaining Escrowed Proceeds will be released from escrow and paid to Wolfden within two business days after the occurrence of any of the following: (i) the first date of commercial production on the Pickett Mountain Project, provided that Wolfden has obtained all the required permits for commercial production on the Pickett Mountain Project; or (ii) the expiry of the Call Right Exercise Period (as defined below).

Pursuant to the Royalty Agreement, Altius has a call right, conversion right and exchange right. Each is summarized below.

Call Right

For the period commencing 36 months following the transfer date of the Timber Rights and ending on the date that is 60 months following such transfer date (the "Call Right Exercise Period"), Altius will have the right to receive the Escrowed Proceeds upon the occurrence of a Trigger Event. A "Trigger Event" means the occurrence of any of the following events, as determined by Altius, acting reasonably: (i) the cancellation or revocation of any material permit required in connection with the Pickett Mountain Project, subject to a 30 day cure period; (ii) the delay of issuance or effectiveness of any permit required in connection with the Pickett Mountain Project for more than 30 days after the date on which Wolfden advised Altius that such permit was expected or required to be issued or effective; (iii) a change in applicable laws which materially adversely affects the Pickett Mountain Project; (iv) the failure to rezone the Pickett Mountain Project as required in connection with the Pickett Mountain Project prior to the date that is 30 months following the date of the Royalty Agreement; (v) Wolfden fails to diligently conduct, or ceases to diligently conduct, as applicable, exploration activities on the Pickett Mountain Project; or (vi) Wolfden fails to incur exploration expenses in respect of the Pickett Mountain Project of not less than US$5,000,000 in aggregate during the three year period ending on the third anniversary of the date of the Royalty Agreement.

Conversion Right

At any time after November 14, 2023, and, if the Timber Rights have not been transferred prior to November 14, 2018, at any time after November 14, 2018, Altius will have the right to convert the Pickett Mountain Royalty, in accordance with the terms of the Royalty Agreement, to cash or Common Shares, or a combination thereof (the "Conversion Right"). Upon the exercise of the Conversion Right, the Common Share consideration to be received by Altius will be equal to the lesser of: (a) the number of Common Shares that is equal in Royalty Value; and (b) the number of Common Shares that does not exceed 19.99% of all outstanding Common Shares on a partially diluted basis. The remaining balance of the Royalty Value is to be paid to Altius in cash. Under the Royalty Agreement, "Royalty Value" means an amount equal to the aggregate of: (i) all amounts paid by Altius to Wolfden (including the purchase price consideration paid by Altius) in respect of the Pickett Mountain Royalty, minus (ii) all Escrowed Proceeds received by Altius, minus (iii) all other payments received by Altius in respect of the Pickett Mountain Royalty. The Common Share conversion price is the greater of: (i) $0.05 per Common Share; and (ii) the volume weighted average trading price of the Common Shares on the TSXV (or any other principal exchange on which the Common Shares are trading) for the twenty consecutive trading days immediately preceding the date of the exercise of the Conversion Right. Upon the exercise of the Conversion Right and satisfaction of the payment thereof by Wolfden, any remaining Escrowed Proceeds will be released to Wolfden.

Exchange Right

Under the Royalty Agreement, Altius has the right to exchange the Pickett Mountain Royalty to a gross sales royalty in respect of the Orvan Brook property, which will be calculated and payable on the same terms as the terms of the Pickett Mountain Royalty in effect on the date of exchange, *mutatis mutandis*.

New Brunswick

Tetagouche Property

On January 6, 2014, the Corporation closed a definitive purchase agreement (the "Agreement") to acquire a large strategic land package situated in the Bathurst Mining Camp and surrounding area in northeastern New Brunswick. Collectively, the property acquisition comprises land holdings totaling more than 20,000 hectares (the “Property”).

Wolfden acquired the Property from 8100896 Canada Inc., a wholly owned subsidiary of GeoVenCap Inc. (the "Vendor"). Pursuant to the terms of the Agreement, the Corporation purchased all of the Vendor's right, title and interest to and in the Property for cash consideration of $125,000 and 571,428 common shares of Corporation (the "Consideration Shares") having a value of $100,000. The Consideration Shares were subject to a four month hold period under applicable securities laws in Canada.

Orvan Brook Property

On January 3, 2017, the Corporation acquired through claim staking the Orvan Brook property located in the Bathurst Mining Camp, 35 kilometres west of the town of Bathurst, New Brunswick.

Clarence Stream Property Agreements

On August 2, 2016, the Corporation entered into a definitive option agreement (the “Option Agreement”) with 2520885 Ontario Inc. and Galway Metals Inc. (collectively the “Optioner”), whereby the Optioner has agreed to acquire a 100% undivided interest in Wolfden’s Clarence Stream property (the “Property”), located in southwestern New Brunswick.

In order to earn a 100% interest in the Property, the Optioner will make cash payments to Wolfden totaling $3,250,000 over a 3year period (the “Option Period”). In addition, the Optioner will grant Wolfden a 1% Net Smelter Return Royalty (the “NSR”) from any minerals produced on the Property; the Optioner can purchase the NSR from Wolfden at any time for the sum of $2,000,000.

Under the terms of the Option Agreement, the Optioner will make scheduled cash payments to Wolfden comprising $750,000 on signing of the Option Agreement (the “Effective Date”), $750,000 on or before the first anniversary of the Effective Date (received subsequent to period end), $1,000,000 on or before the second anniversary of the Effective Date and $750,000 on or before the third anniversary of the Effective Date.

During the Option Period, the Optioner is solely responsible for carrying out and administering exploration, development and mining work on the Property and obtaining all regulatory and third party consents, approvals and authorizations to carry out such work. In the event that the Optioner fails to make any of the cash payments stipulated above, the Option Agreement shall terminate and Wolfden will continue to hold an undivided 100% interest in the Property.

Prior to the 2016 Sale of Clarence Stream Property

(i) On March 7, 2012, the Corporation executed an agreement, which was amended March 29, 2012, and further amended September 6, 2012, to purchase a 30% interest in the Clarence Stream property located in New Brunswick from Rockport Mining Corp. ("RMC"). On the Closing Date, October 18, 2012, RMC sold, assigned and transferred to the Corporation the Subject Interest and the Exploration Data, and the Corporation purchased the Subject Interest and Exploration Data from RMC, for the following consideration:

- A non-refundable deposit of $75,000 paid on signing of the agreement;
- the sum of $1,000,000, paid by the Corporation to RMC (or its designated Affiliate); and
- the allotment and issuance by the Corporation to RMC (or its designated Affiliate, subject to compliance with Applicable Securities Laws), of that number of IPO Securities having a deemed aggregate value equal to $560,000 (the "Transaction Units") at a price per Transaction Unit equal to the IPO price of the IPO Securities.

(ii) On January 13, 2012, the Corporation executed an agreement to purchase a 70% interest in the Clarence Stream property located in New Brunswick from Cliffs Chromite Ontario Inc. ("Cliffs"). On the Effective Date, October 18, 2012, Cliffs sold, assigned and transferred to the Corporation the Subject Interest and the Exploration Data, and the Corporation purchased the Subject Interest and Exploration Data from Cliffs, for the following consideration:

- the sum of $10, paid by the Corporation to Cliffs on the Effective Date;
- the sum of $2,000,000, paid by the Corporation to Cliffs (or its designated Affiliate);
- the allotment and issuance by the Corporation to Cliffs (or its designated Affiliate, subject to compliance with Applicable Securities Laws), of that number of Shares having a deemed aggregate value equal to $1,600,000 (the "Transaction Shares") at a price per Share equal to the IPO price of the Shares;
- the grant by, and agreement of, the Corporation to pay on behalf of itself and its successors and assigns, and the reservation by Cliffs on behalf of itself and its successors and assigns of, a 1% net smelter returns royalty on the Property (the "Net Smelter Returns Royalty") in perpetuity for each year with respect to all Minerals, all as more formally provided in the Royalty Agreement; and
- the assumption of certain liabilities by the Corporation.

There is a 2% and 1 % Net Smelter Royalty ("NSR") on the property, and the Corporation is required to make $15,000 advance royalty payments annually which are deductible against the 2% NSR.

Brunswick No. 6 West Property

On April 29, 2015, the Corporation acquired, by claim staking, the Brunswick No. 6 West property (the "Property). The wholly owned Property is located 20 kilometers southwest of the City of Bathurst, in the heart of the Bathurst Mining Camp.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

Manitoba

Rice Island Property

On September 15, 2015, the Corporation acquired a 100% interest in the Rice Island nickelcopper deposit situated on the Rice Island property (the "Property") through claim staking. The Property, consisting of 704 hectares, is located 10 kilometres southsoutheast of the Town of Snow Lake in westcentral Manitoba.

During the fourth quarter of 2015, a Notice of Dispute (the "Notice") was filed with the Province of Manitoba with respect to the Rice Island, Manitoba claims. Specifically, the Notice states that an individual (the "Disputant") has taken the position that one of the claims recorded in favour of Wolfden is invalid due to the existence of the Disputant's claims on the land prior to Wolfden's staking of the claim. Wolfden has responded to the Notice and is confident that it has clear and legal title to the subject claim as confirmed by the issuing of the recording certificate by the Manitoba Mining Recorder. This matter was brought to a resolution in conjunction with the signing of the Rice Island TieOn Property agreement described below.

On September 21, 2016, the Corporation entered into an option agreement to expand the Rice Island property by earning a 100% interest in the Rice Island TieOn Property (the "RITOP"), located adjacent to Wolfden's existing Rice Island property. Under terms of the option agreement with the Vendor, to earn a 100% interest in the RITOP, the Corporation must make cash payments totaling $250,000 and issue 500,000 common shares of Wolfden over a five year period. A $25,000 cash payment and the issuance of 100,000 common shares was completed on signing. In addition, the Corporation must incur $1,000,000 in exploration expenditures over the same five year period including $100,000 in the first year.

Upon earning a 100% interest in the RITOP, the Vendor retains a 2.5% Net Smelter Royalty on the RITOP as well as on the Rice Island property; of which, Wolfden can purchase 1.5% of the Net Smelter Royalty for the sum of $1,500,000 (0.5% increments at $500,000 per each increment) for each of the properties. Wolfden also retains the right of first refusal on the remaining 1.0% Net Smelter Royalty held by the Vendor for each of the RITOP and Rice Island property.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES

i. Authorized

The Corporation is authorized to issue an unlimited number of common shares.

ii. Details of share issuances

2018

Private Placement

On January 6, 2018, the Corporation completed a non-brokered private placement (the "Offering") of 750,000 common shares of the Corporation at a price of $0.29 per Share for gross proceeds of $217,500 with a Director of the Corporation. The shares issued under the Offering are subject to a four-month hold period that expires May 6, 2018.

2017

Private Placement #1

On January 18, 2017, the Corporation completed a non-brokered private placement (the "Offering") of 3,500,000 flow-through units (the "Flow-through Units") at a price of $0.135 per Flow-through Unit for gross proceeds of $472,500. Each Flow-through Unit consists of one common share of the Corporation that is a "flow-through share" within the meaning of the Income Tax Act (Canada) and one-half of one non-transferable common share purchase warrant (each whole warrant a "Warrant"). Each such Warrant entitles the holder to the purchase of one common share of the Corporation at a price of $0.15 per common share until January 18, 2019. The Flow-Through Unit Shares and Warrants issued under the Offering are subject to a four-month hold period that expired May 18, 2017.

Private Placement #2

On June 19, 2017, the Corporation completed a non-brokered private placement (the "Offering") of 4,375,000 common shares of the Corporation that are flow-through common shares within the meaning of the Income Tax Act (Canada) (the "Flow-through Shares") at a price of $0.16 per Flow-through Share for gross proceeds of $700,000. The Flow-Through Shares issued under the Offering are subject to a four-month hold period that expired October 16, 2017. In connection with the offering the Corporation paid $14,400 in cash finder's fees.

Private Placement #3

On December 29, 2017, the Corporation completed a non-brokered private placement (the "Offering") of 1,500,000 flow-through units (the "Flow-through Units") at a price of $0.45 per Flow-through Unit for gross proceeds of $675,000. Each Flow-through Unit consists of one common share of the Corporation that is a "flow-through share" within the meaning of the Income Tax Act (Canada) and one-quarter of one non-transferable common share purchase warrant (each whole warrant a "Warrant"). Each such Warrant entitles the holder to the purchase of one common share of the Corporation at a price of $0.60 per common share until December 29, 2019. The Flow-Through Unit Shares and Warrants issued under the Offering are subject to a four-month hold period that expires April 30, 2018.

Private placement #4

In conjunction with the acquisition of the Pickett Mountain property (see Note 7 - Exploration and Evaluation) (the "Acquisition"), the Corporation completed a non-brokered private placement (the "Offering") of 20,200,000 subscription receipts ("Subscription Receipts") at a price of $0.25 per Subscription Receipt for gross proceeds of $5,050,000. Immediately prior to the Acquisition, each holder received, without payment of additional consideration or further action on the part of the holder, one unit of the Corporation (each a "Unit"). Each Unit comprised of one common share of the Corporation (a "Common Share") and one half (1/2) of one common share purchase warrant of the Corporation (each whole warrant, a "Warrant"). Each Warrant is exercisable to acquire one Common Share (a "Warrant Share") at a price of $0.35 for a period of 60 months from the closing date of the Offering. All securities were subject to a four month hold expiring March 15, 2018. In connection with the Offering, the Corporation paid $327,275 in cash for finders fees.

Shares Issued for Mineral Property

Rice Island

In respect of the option agreement related to the Rice Island Tie-On Property signed August 18, 2017 (see Note 7 - Exploration and Evaluation), the Corporation issued 100,000 common shares to the vendor. These were valued at $0.15 per common share, totaling $15,000.

Share issue costs of $238,810 in connection with the above private placements were recorded in Equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

iii. Warrants

The following table reflects the continuity of warrants as at March 31, 2018:

Expiry Date	Exercise Price $	2018 Opening Balance #	Warrants Issued #	Warrants Exercised #	Warrants Expired #	2018 Closing Balance #
May 31, 2018	0.20	1,515,909	-	(400,000)	-	**1,115,909**
December 15, 2018	0.15	1,250,000	-	(125,000)	-	**1,125,000**
December 29, 2018	0.60	375,000	-	-	-	**375,000**
January 18, 2019	0.15	1,750,000	-	-	-	**1,750,000**
November 15, 2022	0.35	10,100,000	-	-	-	**10,100,000**
		14,990,909	-	(525,000)	-	**14,465,909**
Weighted average exercise price		0.30	-	-	-	**0.30**

The following table reflects the continuity of warrants as at December 31, 2017:

Expiry Date	Exercise Price $	2017 Opening Balance #	Warrants Issued #	Warrants Exercised #	Warrants Expired #	2017 Closing Balance #
December 30, 2017	0.20	1,800,000	-	(1,800,000)	-	-
May 31, 2018	0.20	1,625,000	-	(109,091)	-	1,515,909
December 15, 2018	0.15	1,750,000	-	(500,000)	-	1,250,000
December 29, 2018	0.60	-	375,000	-	-	375,000
January 18, 2019	0.15	-	1,750,000	-	-	1,750,000
November 15, 2022	0.35	-	10,100,000	-	-	10,100,000
		5,175,000	12,225,000	(2,409,091)	-	14,990,909
Weighted average exercise price		0.18	0.33	0.17	-	0.30

iv. Share purchase option compensation plan

The Corporation has a share incentive plan (the "Plan") which is restricted to directors, officers, key employees and consultants of the Corporation. The number of common shares subject to options granted under the Plan (and under all other management options and employee stock purchase plans) is limited to 10% in the aggregate and 5% with respect to any one optionee of the number of issued and outstanding common shares of the Corporation at the date of the grant of the option. Options issued under the Plan may be exercised during a period determined by the Board of Directors which cannot exceed ten years.

WOLFDEN
(Incorporated under the laws of Ontario)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

The following table reflects the stock options outstanding as at March 31, 2018:

Expiry Date	Exercise Price $	2018 Opening Balance #	Granted #	Exercised #	Expired/ Cancelled #	2018 Closing Balance #
March 09, 2022	0.75	1,510,000	-	-	-	**1,510,000**
July 22, 2018	0.25	1,480,000	-	(278,750)	-	**1,201,250**
February 05, 2019	0.25	100,000	-	-	-	**100,000**
August 29, 2019	0.15	1,000,000	-	(40,000)	-	**960,000**
August 18, 2021	0.13	1,215,000	-	-	-	**1,215,000**
March 09, 2022	0.14	50,000	-	-	-	**50,000**
July 20, 2022	0.14	1,210,000	-	-	-	**1,210,000**
December 29, 2022	0.53	600,000	-	-	-	**600,000**
		7,165,000	-	(318,750)*	-	**6,846,250** **
Weighted average exercise price		0.32	-	0.22	-	**0.32**

The following table reflects the stock options outstanding as at March 31, 2017:

Expiry Date	Exercise Price $	2017 Opening Balance #	Granted #	Exercised #	Expired/ Cancelled #	2017 Closing Balance #
March 09, 2022	0.75	1,510,000	-	-	-	**1,510,000**
July 22, 2018	0.25	1,601,250	-	-	(121,250)	**1,480,000**
December 04, 2018	0.25	250,000	-	-	(250,000)	**-**
February 05, 2019	0.25	100,000	-	-	-	**100,000**
August 29, 2019	0.15	1,185,000	-	(85,000)	(100,000)	**1,000,000**
August 18, 2021	0.13	1,280,000	-	(65,000)	-	**1,215,000**
March 09, 2022	0.14	-	50,000	-	-	**50,000**
July 20, 2022	0.14	-	1,260,000	(50,000)	-	**1,210,000**
December 29, 2022	0.53	-	600,000	-	-	**600,000**
		5,926,250	1,910,000	(200,000)*	(350,000)	**7,286,250** **
Weighted average exercise price		0.33	0.26	0.14	0.22	**0.32**

The Corporation applies the fair value method of accounting for all stock based compensation awards and accordingly, $Nil was recorded as compensation for the options that vested during the period (2017 - $5,900 was recorded as compensation for the March 9, 2022 options that vested during the year, $147,420 was recorded as compensation for the July 20, 2022 options that vested during the year, $38,000 was recorded as compensation for the December 29, 2022 options that vested during the year, totaling $191,320 was recorded as compensation for the year end Decemver 31, 2017). As of March 31, 2018 there were 500,000 unvested stock options (December 31, 2017 - 500,000 unvested stock options).

* The weighted average share price at date of exercise of the options in 2018 was $0.53 (December 31, 2017 - $0.50).
** The weighted average remaining life of the outstanding stock options is 3.23 years (December 31, 2017 - 3.48 years).
The corporation currently estimates the forfieture rate to be nil.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

	2018	2017
Risk-free interest rate	-	1.07% - 1.63%
Annualized volatility	-	119.96% - 124.89%
Expected dividend		NIL
Expected option life	-	5 years

9. LOSS PER SHARE

Both the basic and diluted earnings per share have been calculated using the loss attributable to shareholders of the Corporation as the numerator. No adjustments to loss were necessary in 2018 or 2017.

	2018	2017
Numerator:		
Loss for the period	**(930,441)**	(868,431)
Denominator:		
Weighted average number of common shares	**111,341,902**	80,401,589
Basic and diluted loss per share	**(0.01)**	(0.01)

WOLFDEN
(Incorporated under the laws of Ontario)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

10. RELATED PARTIES TRANSACTIONS

The Corporation's related parties include key management personnel and entities over which they have control or significant influence as described below.

	Nature of transactions
The Alyris Group	Accounting and management services
2401794 Ontario Inc	Facilities
DRAX Services Limited	Corporate secretarial and filing services

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

The following are the related party transactions, recorded at the exchange amount as agreed to by the parties:

(a) Included in general and administrative expenses are amounts totaling $31,711 (2017 - $32,492), for accounting and management services provided by 1752466 Ontario Inc., O/A The Alyris Group, a company related to the Corporation through Ewan Downie, Director of Wolfden and Dan Mechis, Director of Wolfden.

(b) Included in general and administrative expenses are amounts totaling $5,006 (2017 - $Nil) for rent paid to 2401794 Ontario Inc., a wholly-owned subsidiary of Premier Gold Mines Ltd., a company related to the Corporation through Ewan Downie, Director of Wolfden and Ronald Little, Director of Wolfden.

(c) Included in general and administrative expenses are amounts totaling $3,000 (2017 - $3,000) for corporate secretarial services provided by DRAX Services Limited., related to the Corporation through Shaun Drake, Corporate Secretary of Wolfden.

(d) Included in general and administrative expenses are amounts totaling $41,000 (2017 - $Nil) for marketing and project development consulting services provided by two companies related to the Corporation through Ronald N. little, Director of Wolfden.

Key management personnel remuneration includes the following amounts:

	2018	2017
	$	**$**
Salary and wages	**48,192**	48,192
Other compensation	**1,836**	1,825
	50,028	50,017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

11. COMMITMENTS

The Corporation has commitments relating to an office lease, which includes rent, common cost, and co-op cost, expiring June 2020.

The minimum payments are as follows:

	$
2018	16,935
2019	22,580
2020	10,349
	49,864

Flow-through renunciation

On January 18, 2017, the Corporation completed a flow-through financing to raise $472,500. The Corporation renounced 100% of the flow-through raised in 2017 to investors as at December 31, 2017. The Corporation has until February 1, 2018 to incur expenditures before monthly interest charges begin to accrue on unspent funds. Interest charges incurred by the Corporation as a result of this income tax legislation are charged to income in the period incurred. Of the $472,500 in flow-through financing raised in 2017, the Corporation has incurred $472,500 in exploration expenses, and thus fulfilling its obligation in relation to these renounced expenditures.

On June 19, 2017, the Corporation completed a flow-through financing to raise $700,000. The Corporation renounced 100% of the flow-through raised in 2017 to investors as at December 31, 2017. The Corporation has until February 1, 2018 to incur expenditures before monthly interest charges begin to accrue on unspent funds. Interest charges incurred by the Corporation as a result of this income tax legislation are charged to income in the period incurred. Of the $700,000 in flow-through financing raised in this financing in 2017, the Corporation has incurred $700,000 in exploration expenses, and thus fulfilling its obligation in relation to these renounced expenditures.

On December 29, 2017, the Corporation completed a flow-through financing to raise $675,000. The Corporation renounced 100% of the flow-through raised in 2017 to investors as at December 31, 2017. The Corporation had until February 1, 2018 to incur expenditures before monthly interest charges begin to accrue on unspent funds. Interest charges incurred by the Corporation as a result of this income tax legislation are charged to income in the period incurred. Of the $675,000 in flow-through financing raised in this financing in 2017, the Corporation has incurred $177,228 in exploration expenses, and thus has $497,772 remaining to be spent by December 31, 2018.

12. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Corporation's operations include the acquisition and exploration of mineral properties in Canada. The Corporation examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include credit risk, liquidity risk, currency risk, interest rate risk and other risks. Where material, these risks are reviewed and monitored by the Board of Directors.

[a] Credit risk
Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Corporation by those counterparties, less any amounts owed to the counterparty by the Corporation where a legal right of off-set exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

i) Trade credit risk
The Corporation is in the exploration stage and has not yet commenced commercial production or sales. Therefore, the Corporation is not exposed to significant credit risk and overall the Corporation's credit risk has not changed significantly from the prior year.

ii) Cash and cash equivalents
In order to manage credit and liquidity risk the Corporation invests only in highly rated investment grade instruments that have maturities of six months or less and are cashable at any time. Limits are also established based on the type of investment, the counterparty and the credit rate.

iii) Derivative financial instruments
As at March 31, 2018, the Corporation has no derivative financial instruments. It may in the future enter into derivative financial instruments in order to manage credit risk, it will only enter into derivative financial instruments with highly rate investment grade counterparties.

[b] Liquidity risk
Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

[c] Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a significant loss as a result of a decline in the fair market value is limited as the Corporation holds all of its funds in cash and guaranteed investment certificates.

[d] Currency risk
The Corporation is exposed to the financial risk related to the fluctuation of foreign exchange rates. The functional and reporting currency of the Corporation is the Canadian dollar, however it has operations located in the United States, and as such is subject to fluctuations in that currency. Changes in the currency exchange rates between the Canadian dollar relative to the US dollar could have an effect on the Corporation's results of operations, financial position or cash flows. The Corporation has not hedged its exposure to currency fluctuations. At March 31, 2018, a 100 basis point decrease/increase in the U.S. Dollar would result in a foreign exchange gain/loss of approximately $127.

The Corporation does not invest in derivatives to mitigate these risks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2018 and 2017
(Stated in Canadian Dollars)

The following table sets forth the Corporation's financial assets measured at fair value by level within the fair value hierarchy.

	Level 1 $	Level 2 $	Level 3 $	**Total** **$**
Assets				
Investments	-	940,625	-	**940,625**

13. MANAGEMENT OF CAPITAL RISK

The Corporation manages its common shares, stock options and warrants as capital. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going-concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares and, acquire or dispose of assets.