Wolfden Resources Corporation

Consolidated Financial Statements
(Stated in Canadian Dollars)

For the three months ended March 31, 2019 and 2018

Wolfden Resources Corporation

Notice to Shareholders

For the three months ended March 31, 2019

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.

WOLFDEN

(Incorporated under the laws of Ontario)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Stated in Canadian Dollars)

As at	**March 31 2019 $**	December 31 2018 $
ASSETS		
Current assets		
Cash and cash equivalents	**3,085,724**	272,050
Amounts receivable *[note 5]*	**38,674**	196,977
Prepaid expenses	**3,503**	10,251
Investments *[note 6]*	**158,039**	759,091
Total current assets	**3,285,940**	1,238,369
Non-current assets		
Equipment *[note 7]*	**4,053**	4,147
Total assets	**3,289,993**	1,242,516
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**244,384**	799,868
Taxes payable	**389,668**	323,981
Total current liabilities	**634,052**	1,123,849
EQUITY		
Share capital *[note 9]*	**32,114,333**	29,351,833
Equity settled employee benefits *[note 9]*	**1,469,299**	1,413,971
Other comprehensive income	**(134,036)**	(78,027)
Deficit	**(30,793,655)**	(30,569,110)
Total equity	**2,655,941**	118,667
Total liabilities and equity	**3,289,993**	1,242,516

Going concern [note 1]
Commitments [note 12]
Subsequent events [note 15]

See accompanying notes to the consolidated financial statements

These financial statements are authorized for issue by the Board of Directors on May 27, 2019.

They are signed on the Corporation's behalf by:

"Ron Little"	*"John Seaman"*
Director	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,

	2019	2018
	$	$
EXPENSES		
Depreciation *[note 7]*	**94**	176
Exchange loss	**244**	1,369
Exploration and evaluation expenses *[note 8]*	**123,372**	731,190
Flow through interest penalty	**-**	4,097
General and administrative expenses *[note 11]*	**203,581**	175,330
Professional fees	**10,170**	20,541
Share-based payments *[note 9]*	**55,328**	-
	392,789	932,703
Loss before the following	**(392,789)**	(932,703)
Investment income	**1,149**	2,262
Other income *[note 8]*	**252,326**	-
	253,475	2,262
Loss before income taxes	**(139,314)**	(930,441)
Income tax expense	**85,231**	-
Loss for the period	**(224,545)**	(930,441)
Exchange differences on translation of foreign operations	**56,009**	-
Comprehensive loss for period	**(280,554)**	(930,441)
Basic and diluted loss per share *[note 10]*	**-**	(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,

	2019	2018
	$	$
OPERATING ACTIVITIES		
Loss for the period	**(224,545)**	(930,441)
Charges to earnings not involving a current payment of cash		
Depreciation	**94**	176
Share based payments	**55,328**	-
	(169,123)	(930,265)
Changes in non-cash working capital balances related to operations		
Accounts receivable	**158,302**	136,598
Prepaid and deferred transaction costs	**6,748**	20,227
Accounts payable and accrued liabilities	**(555,484)**	(163,121)
Taxes payable	**65,687**	-
Cash used in operating activities	**(493,870)**	(936,561)
INVESTMENT ACTIVITIES		
Redemption (purchase) of investments, net	**601,053**	(2,262)
Cash (used in) provided by investment activities	**601,053**	(2,262)
FINANCING ACTIVITIES		
Proceeds from shares issued in private placements	**2,500,000**	217,500
Proceeds from the exercise of warrants	**262,500**	98,750
Proceeds from the exercise of stock options	**-**	75,688
Cash provided by financing activities	**2,762,500**	391,938
Increase (decrease) in cash and cash equivalents during period	**2,869,683**	(546,885)
Cash and cash equivalents, beginning of period	**272,050**	2,981,692
Effect of foreign exchange on cash and cash equivalents	**(56,009)**	-
Cash and cash equivalents, end of period	**3,085,724**	2,434,807

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, 2017	110,006,930	28,033,631		1,062,794	-	(25,417,191)	3,679,234
Exercise of warrants *[note 9]*	525,000	98,750		-	-	-	98,750
Exercise of stock options	318,750	126,441		(50,753)	-	-	75,688
Private placement	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
Exercise of warrants *[note 9]*	2,240,908	391,631		-	-	-	391,631
Exercise of stock options *[note 9]*	1,240,000	476,880		(203,160)	-	-	273,720
Share-based payments *[note 9]*	-	-		605,090	-	-	605,090
Share issue costs *[note 9]*	-	(18,000)		-	-	-	(18,000)
Shares issued for mineral property *[note 9]*	100,000	25,000		-	-	-	25,000
Loss and comprehensive loss for the year	-	-		-	(78,027)	(4,221,478)	(4,299,505)
Balance as at December 31, 2018	**115,181,588**	**29,351,833**		**1,413,971**	**(78,027)**	**(30,569,110)**	**118,667**
Exercise of warrants *[note 9]*	1,750,000	262,500		-	-	-	262,500
Private placement *[note 9]*	12,500,000	2,500,000		-	-	-	2,500,000
Share-based payments *[note 9]*	-	-		55,328	-	-	55,328
Loss and comprehensive loss for the year	-	-		-	(56,009)	(224,545)	(280,554)
Balance as at March 31, 2019	**129,431,588**	**32,114,333**		**1,469,299**	**(134,036)**	**(30,793,655)**	**2,655,941**

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, 2019 and 2018
(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, 2019, the Corporation has no source of operating cash flows. The Corporation incurred a net loss of $224,545 for the period ended March 31, 2019 (March 31, 2018 - $930,441) and has accumulated a deficit of $30,793,655 (March 31, 2018 - $26,347,632) since the inception of the Corporation. As at March 31, 2019, the Corporation had working capital of $2,651,888 (December 31, 2018 – $114,250) 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 period ended March 31, 2019, the Corporation raised gross proceeds of $2,762,500 through private placements of shares and the exercise of warrants (during the year ended December 31, 2018, the Corporation raised gross proceeds of $1,311,202).

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 loss and 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, 2019 were approved and authorized by the Board of Directors on May 27, 2019.

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.

Change in functional currency

Prior to January 1, 2018, the functional currency of Wolfden USA Inc. and Wolfden Mt. Chase LLC, the U.S. subsidiaries, was the Canadian Dollar ("CAD"). Per IAS 21 - *The effects of Changes in Foreign Exchange Rates ("IAS 21")*, an entity's functional currency should reflect the underlying transactions, events and conditions that are relevant to the entity. Management considered primary and secondary indicators including the currency used operationally for purchases, labour and other costs, as well as receipts of other income.

Based on these factors, management concluded that effective January 1, 2018, the U.S. subsidiaries functional currency should be the United States dollars ("USD").

As the Corporation's Canadian operations primarily operate in CAD and are financed in CAD, management has determined that their functional currency remains CAD.

Significant accounting judgements and estimates

In the application of the Corporation's accounting policies, which are described in Note 2 of the audited consolidated financial statements for the year ending December 31, 2018, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Significant estimates include:

i. the inputs used in accounting for share purchase option expense in the statement of loss and comprehensive loss;

ii. the provision for income taxes which is included in the statements of loss and comprehensive loss and composition of deferred income tax assets and liabilities included in the statement of financial position which have not yet been confirmed by the taxation authorities, and

iii. the estimated useful lives of equipment and leaseholds which are included in the statement of financial position and the related depreciation included in the statement of loss and comprehensive loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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, 2019.

Accounting standards issued and effective January 1, 2019, recently adopted

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

- IFRS 16, Leases introduces new requirements for the classification and measurement of leases. The standard is effective for annual reporting periods beginning January 1, 2019 although early application is permitted for companies that also apply IFRS 15 – Revenue from Contracts with Customers. The Corporation will adopt it using the modified retrospective approach, resulting in no restatement of prior year comparatives and the cumulative impact of applying IFRS 16 will be recognized at January 1, 2019. The Corporation has completed the assessment of its equipment and building rentals, land leases and service agreements and determined there will be no significant impact on lease expense or depreciation expense. Upon adoption, the Corporation has elected to apply the available exemptions as permitted by IFRS 16 to recognize a lease expense on a straight line basis for short-term leases (lease term of 12 months or less) and low value assets ($5,000 or less). There was close attention paid to all of the Corporation's drilling contracts to ensure that they did not contain embedded leases for property,plant and equipment. None of those contracts resulted in right of use of an asset.

- IFRIC 23, Uncertainty over Income Tax Treatments provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The interpretation is applicable for period beginning on or after January 1, 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2019 and 2018
(Stated in Canadian Dollars)

4. SEGMENTED INFORMATION

The Corporation's significant segments are represented by its separately identifiable exploration and evaluation properties (see *note 8* 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.

For the three months ending March 31, 2019

	Canada $	USA $	Total $
Segmented Assets	2,862,544	427,449	**3,289,993**
Segmented Liabilities	(219,037)	(415,015)	**(634,052)**
Operating activities			
Depreciation	94	-	**94**
Flow-through interest penalty	-	-	**-**
Exchange loss	244	-	**244**
Exploration and evaluation expenses	93,568	29,804	**123,372**
General and administrative	202,826	755	**203,581**
Professional fees	10,000	170	**10,170**
Share-based payments	55,328	-	**55,328**
Total	**362,060**	**30,729**	**392,789**
Other items	(1,149)	(252,326)	**(253,475)**
Loss for the year	**360,911**	**(221,597)**	**139,314**

For the three months ending March 31, 2018

	Canada $	USA $	Total $
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**
Other items	(2,262)	-	**(2,262)**
Total	**287,692**	**642,749**	**930,441**

As at December 31, 2018

	Canada $	USA $	Total $
Segmented Assets	1,031,444	211,072	**1,242,516**
Segmented Liabilities	(769,041)	(354,808)	**(1,123,849)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2019 and 2018
(Stated in Canadian Dollars)

5. AMOUNTS RECEIVABLE

	2019	2018
	$	**$**
Recoverable taxes (i)	**28,642**	98,632
Trade receivables (ii)	**10,031**	98,345
	38,673	196,977

(i) Recoverable taxes include Canadian harmonized sales tax receivable.
(ii) Trade receivables relate to the proceeds receivable on the sale of timber from the Pickett Mountain property, net of the 20% payable to Altius and 8% timber management fee.

6. INVESTMENTS

At March 31, 2019, the Corporation holds guaranteed investment certificates of $158,039, maturing October 29, 2019, yielding 1.60% (December 31, 2018 - $759,091, maturing October 29, 2019, yielding 1.60%).

7. EQUIPMENT

	Computer Equipment	**Vehicles**	**Total**
	$	**$**	**$**
Cost			
Balance, January 1, 2018	13,120	27,068	40,188
Write-down of assets	-	-	-
Balance, December 31, 2018	13,120	27,068	40,188
Balance, March 31, 2019	**13,120**	**27,068**	**40,188**
Accumulated depreciation			
Balance, January 1, 2018	11,074	23,847	34,921
Depreciation for the period	308	812	1,120
Balance, December 31, 2018	11,382	24,659	36,041
Depreciation for the period	9	85	94
Balance, March 31, 2019	**11,391**	**24,744**	**36,135**
Carrying amounts			
December 31, 2018			4,147
March 31, 2019			**4,053**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ending March 31, 2019 and 2018
(Stated in Canadian Dollars)

8. EXPLORATION AND EVALUATION

For the three months ended March 31, 2019

	Rice Island	Pickett Mountain	Teta gouche	Orvan Brook	Other	Total for current period	Total inception to date
Analysis	-	-	-	-	-	**-**	**575,314**
Geological	-	-	15,525	12,374	305	**28,204**	**1,696,615**
Geophysical	-	13,479	9,058	-	-	**22,537**	**2,001,175**
Geochemical	-	79	-	5,322	-	**5,401**	**195,530**
Travel	-	6,623	-	3,546	-	**10,169**	**530,714**
Drilling	-	5,375	-	-	-	**5,375**	**5,000,984**
Property Work	-	-	-	9,385	-	**9,385**	**629,668**
Ops Support	-	4,248	360	733	-	**5,341**	**208,324**
Administration	17,327	-	811	9,689	-	**27,827**	**644,594**
Total Exploration	17,327	29,804	25,754	41,049	305	**114,239**	**11,487,899**
Other costs*	91	-	7,450	-	1,592	**9,133**	**20,717,491**
Total	17,418	29,804	33,204	41,049	1,897	**123,372**	**32,205,390**
Total to date	2,556,122	5,492,659	2,377,286	1,260,282			

For the three months ended March 31, 2018

	Rice Island	Pickett Mountain	Teta gouche	Orvan Brook	Other	Total for 2018	Total inception March 31, 2018
Analysis	-	11,210	-	1,950	-	**13,160**	**505,567**
Geological	-	65,312	-	23,843	16,008	**105,163**	**1,224,089**
Geophysical	2,719	97,731	-	-	-	**100,450**	**927,867**
Geochemical	-	-	1,852	-	-	**1,852**	**177,646**
Travel	-	25,893	-	1,257	472	**27,622**	**372,853**
Drilling	-	418,501	-	-	-	**418,501**	**3,143,275**
Property Work	-	12,274	-	13,147	-	**25,421**	**512,337**
Ops Support	-	11,828	540	1,730	-	**14,098**	**206,164**
Administration	26,294	-	-	9,516	400	**36,210**	**539,720**
Total Exploration	29,013	642,749	2,392	51,443	16,880	**742,477**	**7,575,386**
Other Costs*	91	-	5,030	(18,000)	1,592	**(11,287)**	**20,613,071**
Total	29,104	642,749	7,422	33,443	18,472	**731,190**	**28,188,457**
Total to date	2,427,473	2,119,317	2,259,000	808,102			

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

Mineral property acquisitions and agreements

Maine, U.S.A.

Pickett Mountain Property

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 entered into 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).

During the third quarter of 2018, Wolfden Mt. Chase LLC entered into a Forest Management Agreement with Huber Resources Corp. to harvest select portions of the timber on the Property. As per the terms of the contract, Huber has developed a long term forest plan to harvest and sell select portions of the Property, in a sustainable manner, so as to protect the forest and maintain its timber value. A portion (20%) of the sales receipts are paid to Altius, on a regular basis, which is consistent with the terms of the Royalty Agreement. For the period of three months ended March 31 2019, the Corporation recorded net timber sales proceeds of $252,326 (US$ 189,799), that are net of 20% allocated to Altius as per the agreement (2018 - $Nil). These funds are not being placed in escrow and have been included in the working capital of the Corporation.

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, Canada

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 3 year 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”) (payment received), $750,000 on or before the first anniversary of the Effective Date (payment received and included in "Gain on disposal of mineral properties" in 2017), $1,000,000 on or before the second anniversary of the Effective Date (payment received and included in "Gain on disposal of mineral properties' in 2018) 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 kilometres southwest of the City of Bathurst, in the heart of the Bathurst Mining Camp.

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Manitoba, Canada

Rice Island Property

On September 15, 2015, the Corporation acquired a 100% interest in the Rice Island nickel-copper deposit situated on the Rice Island property (the "Property") through claim staking. The Property is located in west-central 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 Tie-On Property ("RITOP") 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 Tie-On Property, 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 annually over a five year period, on or before the anniversary date of the signing of the agreement. 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

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9. SHARE CAPITAL AND RESERVES

i. Authorized

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

ii. Details of share issuances

2019

Private Placement

On March 29, 2019, the Corporation completed a non-brokered (no agent) private placement with Kinross Gold Corporation (“Kinross”) of 12,500,000 shares of the Corporation (“Common Shares”) at a price of $0.20 per Common Share for gross proceeds of $2,500,000. The securities of the financing are subject to a four-month hold period under applicable Canadian securities laws, which expires July 30, 2019.

2018

Private Placement

On January 6, 2018, the Corporation completed a non-brokered private placement (the "Offering") of 750,000 units of the Corporation at a price of $0.29 per Share for gross proceeds of $217,500 with a Director of the Corporation. 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 $0.61 for a period of 60 months from the closing date of the Offering.The shares issued under the Offering are subject to a four-month hold period that expired May 6, 2018.

Shares Issued for Mineral Property

Rice Island

In respect of the option agreement related to the Rice Island Tie-On Property, on September 12, 2018 (see Note 8 - Exploration and Evaluation), the Corporation issued 100,000 common shares to the vendor. These were valued at $0.25 per common share, totaling $25,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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iii. Warrants

The following table reflects the continuity of warrants as at March 31, 2019:

Expiry Date	Exercise Price $	2019 Opening Balance #	Warrants Issued #	Warrants Exercised #	Warrants Expired #	2019 Closing Balance #
January 18, 2019	0.15	1,750,000	-	(1,750,000)	-	**-**
November 15, 2022	0.35	10,100,000	-	-	-	**10,100,000**
January 15, 2023	0.61	375,000	-	-	-	**375,000**
		12,225,000	-	(1,750,000)	-	**10,475,000**
Weighted average exercise price		0.33	-	0.15	-	**0.35**

The following table reflects the continuity of warrants as at December 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	-	(1,515,909)	-	-
December 15, 2018	0.15	1,250,000	-	(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
January 15, 2023	0.61	-	375,000	-	-	375,000
		14,990,909	375,000	(2,765,909)	(375,000)	12,225,000
Weighted average exercise price		0.30	0.61	0.18	0.60	0.33

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.

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The following table reflects the stock options outstanding as at March 31, 2019:

Expiry Date	Exercise Price $	2019 Opening Balance #	Granted #	Exercised #	Expired/ Cancelled #	2019 Closing Balance #
March 09, 2022	0.75	1,465,000	-	-	-	**1,465,000**
February 05, 2019	0.25	100,000	-	-	(100,000)	**-**
August 29, 2019	0.15	855,000	-	-	-	**855,000**
August 18, 2021	0.13	1,100,000	-	-	-	**1,100,000**
March 09, 2022	0.14	50,000	-	-	-	**50,000**
July 20, 2022	0.14	1,095,000	-	-	-	**1,095,000**
December 29, 2022	0.53	600,000	-	-	-	**600,000**
July 10, 2023	0.30	2,440,000	-	-	-	**2,440,000**
February 12, 2024	0.30	-	300,000	-	-	**300,000**
		7,705,000	300,000	- *	(100,000)	**7,905,000** **
Weighted average exercise price		0.32	0.30	-	-	**0.32**

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

Expiry Date	Exercise Price $	2018 Opening Balance #	Granted #	Exercised #	Expired/ Cancelled #	2018 Closing Balance #
March 09, 2022	0.75	1,510,000	-	-	(45,000)	**1,465,000**
July 22, 2018	-	1,601,250	-	(1,188,750)	(412,500)	**-**
February 05, 2019	0.25	100,000	-	-	-	**100,000**
August 29, 2019	0.15	1,000,000	-	(140,000)	(5,000)	**855,000**
August 18, 2021	0.13	1,215,000	-	(115,000)	-	**1,100,000**
March 09, 2022	0.14	50,000	-	-	-	**50,000**
July 20, 2022	0.14	1,210,000	-	(115,000)	-	**1,095,000**
December 29, 2022	0.53	600,000	-	-	-	**600,000**
July 10, 2023	0.30	-	2,440,000	-	-	**2,440,000**
		7,286,250	2,440,000	(1,558,750)*	(462,500)	**7,705,000** **
Weighted average exercise price		0.32	0.30	0.21	0.22	**0.32**

The Corporation applies the fair value method of accounting for all stock based compensation awards and accordingly, $43,900 was recorded as compensation for the December 29, 2022 options that vested during the period, and $11,428 for the February 12, 2024 options that vested during the period (2018 - $539,240 was recorded as compensation for the July 10, 2023 options that vested during the year, and $68,850 was recorded as compensation for the December 29, 2022 options that vested during the year, totaling $605,090 was recorded as compensation for the year end December 31, 2018). As of March 31, 2019 there were 550,000 unvested stock options (December 31, 2018 - 350,000 unvested stock options).

* No options exercised during the period (The weighted average share price at date of exercise of the options for the year ending December 31, 2018 - $0.23).
** The weighted average remaining life of the outstanding stock options is 3.53 years (December 31, 2018 - 3.78 years).

The corporation currently estimates the forfeiture rate to be nil.

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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:

	2019	2018
Risk-free interest rate	**1.633% - 1.822%**	1.07% - 1.63%
Annualized volatility	**104.87% - 119.96%**	119.96% - 124.89%
Expected dividend	**NIL**	NIL
Expected option life	**5 years**	5 years

10. 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 2019 or 2018.

For the three months ended March 31

	2019	2018
Numerator:		
Loss for the period	**(280,554)**	(930,441)
Denominator:		
Weighted average number of common shares	**116,878,810**	111,341,902
Basic and diluted loss per share	**-**	(0.01)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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11. RELATED PARTY 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
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 $5,006 (2018 - $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.

(b) Included in general and administrative expenses are amounts totaling $3,000 (2018 - $3,000) for corporate secretarial services provided by DRAX Services Limited., related to the Corporation through Shaun Drake, Corporate Secretary of Wolfden.

Key management personnel remuneration includes the following amounts:

	2019 **$**	2018 $
Salary and wages	**90,461**	48,192
Share-based payments	**43,900**	-
Other compensation	**4,208**	1,825
Directors fees	**9,750**	-
	148,319	50,017

12. 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:

	$
2019	11,262
2020	6,882
	18,144

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13. 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.

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.

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.

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.

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.

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, 2019, a 100 basis point decrease/increase in the U.S. Dollar would result in a foreign exchange gain/loss of approximately $17.

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

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The following table sets forth the Corporation's financial assets measured at fair value by level within the fair value hierarchy as at March 31, 2019.

	Level 1 $	Level 2 $	Level 3 $	**Total** **$**
Assets				
Investments	-	158,039	-	**158,039**

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

	Level 1 $	Level 2 $	Level 3 $	**Total** **$**
Assets				
Investments	-	759,091	-	**759,091**

14. MANAGEMENT OF CAPITAL RISK

The Corporation manages its common shares, stock options and warrants as capital, that as at March 31, 2019 totaled $33,583,632 (2018 - $30,765,804). 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 mineral properties.

In order to maximize ongoing exploration efforts, the Corporation does not pay out dividends. The Corporation's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short-term maturities, selected with regard to the expected timing of expenditures from continuing operations.

15. SUBSEQUENT EVENTS

The Corporation received additional net proceeds of $5,985 from the harvesting and sale of timber at its Pickett Mountain Property, since the end of the quarter.

Altius and Wolfden have agreed to an amendment to their Offering and Subscription Agreements, dated November 14, 2017 whereby during any period when the common shares of Wolfden are trading on the Toronto Stock Exchange Venture Exchange at a volumeweighted average trading price of not less than $0.60 per common share for at least 20 consecutive trading days, it will upon written request by Wolfden during such period, exercise its warrants. Altius currently holds 7,000,000 Wolfden common share purchase warrants priced at $0.35 per share with a termination date of November 15, 2022.

On April 6, 2019, the Corporation's U.S. subsidiary entered into a land lease agreement on a property located in Maine, U.S.A. The agreement called for a first year lease payment of $25,000 USD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

On April 29, 2019, the Corporation announced the addition of two Advisors to its Technical Advisory Committee and the hiring of Jeremy Ouellette as the Company's VP of Project Development and in doing so, granted 600,000 stock options with an exercise price of $0.20 and expiry date of April 29, 2024.

The Corporation has adopted a restricted share unit plan (the "RSU Plan"), subject to approval by the TSX Venture Exchange (the "TSXV") and ratification by disinterested shareholders of the Corporation at the Annual and Special meeting of shareholders to be held on June 26, 2019 (the "Meeting"). An aggregate of 1,208,750 restricted share units ("RSUs") have been granted to management of the Corporation pursuant to the terms of their employment agreements and in respect of annual performance in 2018. Each RSU entitles the recipient to receive one common share in the capital of the Corporation, or a cash payment equal to the equivalent of one common share in the capital of the Corporation, following the vesting period of the RSU.