MGX MINERALS INC.

Consolidated Financial Statements

For the Years Ended July 31, 2018 and 2017

(Expressed in Canadian dollars)

SUITE 114B (2nd floor)
8988 FRASERTON COURT
BURNABY, BC, V5J 5H8

T: **604.318.5465**
F: **604.239.0866**

Adam Kim
ADAM SUNG KIM LTD.
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
MGX Minerals Inc.

I have audited the accompanying consolidated financial statements of MGX Minerals Inc. (the "Company"), which comprise the consolidated statements of financial position as at July 31, 2018 and July 31, 2017, and the consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and consolidated statements of changes in equity for the years ended July 31, 2018 and July 31, 2017, and a summary of significant accounting policies and other explanatory information.

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

Auditors' Responsibility
My responsibility is to express an opinion on these consolidated financial statements based on my audits. I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2018 and July 31, 2017, and its financial performance and its cash flows for the years ended July 31, 2018 and July 31, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying my opinion, I draw attention to Note 1 in the consolidated financial statements which indicates that the Company has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Adam Sung Kim Ltd."
Chartered Professional Accountant

Burnaby, British Columbia
November 27, 2018

MGX Minerals Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	July 31, 2018	July 31, 2017
		$	$
Assets			
Current Assets			
Cash		6,613,350	2,897,448
Prepaid	**5**	1,067,081	553,368
GST receivables		565,817	117,228
Marketable securities	**6**	624,440	-
		8,870,688	3,568,044
Non-Current Assets			
Deferred financing cost		-	307,677
Equipment	**9**	3,112,458	14,488
Investment in PurLucid	**10**	-	2,792,715
Intangible assets	**10**	10,709,117	-
Intellectual property	**7**	4,950,134	-
Mineral properties	**8**	10,276,950	4,850,186
Reclamation bond		136,125	30,000
		29,184,784	7,995,066
Total Assets		38,055,472	11,563,110
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities		2,150,299	1,072,623
Flow-through premium liability	**13**	272,160	-
Short-term loan payable	**11**	703,348	-
Due to related parties	**14**	68,354	124,763
		3,194,161	1,197,386
Deferred income tax liability	**10**	71,626	-
Long-term loan payable	**12**	53,044	-
Total liabilities		3,318,831	1,197,386
Shareholders' Equity			
Share capital	**13**	57,660,920	14,310,995
Subscriptions received		-	4,994,343
Reserve	**13**	15,320,242	8,822,638
Deficit		(43,140,525)	(17,762,252)
Equity attributable to shareholders		29,840,637	10,365,724
Non-controlling interest	**10**	4,896,004	-
Total equity		34,736,641	10,365,724
Total Liabilities and Shareholders' Equity		38,055,472	11,563,110

Nature of operations and going concern (Note 1)
Subsequent events (Note 19)

Approved by the Board of Directors on November 27, 2018:

"Jared Lazerson"	*"Andris Kikuaka"*
Jared Lazerson, Director	Andris Kikuaka, Director

MGX Minerals Inc.
Consolidated Statements of Loss and Comprehensive Loss
For the years ended July 31, 2018 and 2017
(Expressed in Canadian dollars)

	Notes	2018	2017
		$	**$**
Exploration expenses	**Sch1**	4,093,180	1,375,249
Administrative Expenses			
Advertising and promotion		9,744,585	1,711,720
Consulting fees		1,947,472	839,556
Amortization	**9**	5,906	1,553
Office and administrative		1,363,900	201,499
Interest and bank charges		10,642	8,454
Management fees	**14**	3,989,771	6,364,340
Professional fees		779,688	629,377
Research and development		701,618	-
Salaries		166,999	-
Share-based compensation	**13,14**	3,775,054	2,407,750
Transfer agent and filing fees		122,178	113,429
Travel and entertainment		352,842	217,962
		22,960,655	12,495,640
Loss before other (expenses) income		(27,053,835)	(13,870,889)
Other (expenses) income			
Write-off of mineral property	**8**	(275,470)	-
Unrealized gain on marketable securities	**6**	424,440	-
Income/ (loss) on equity investment in PurLucid	**10**	106,665	(62,285)
Gain on step acquisition	**10**	1,229,027	-
Debt settlement (loss) gain	**13**	(18,687)	10,483
Foreign exchange loss		(66,758)	6,000
		1,399,217	(45,802)
Loss and comprehensive loss for the year before tax		(25,654,618)	(13,916,691)
Deferred income tax recovery		276,345	-
Loss and comprehensive loss for the year		**(25,378,273)**	**(13,916,691)**
Loss and comprehensive loss for the year attributable:			
Shareholders of the Company		(25,378,273)	(13,916,691)
Non-controlling interest		-	-
Loss and comprehensive loss for the year		**(25,378,273)**	**(13,916,691)**
Loss per share, basic and diluted		(0.27)	(0.24)
Weighted average number of shares outstanding		94,156,931	57,840,520

MGX Minerals Inc.

Consolidated Statements of Changes in Equity
For the year ended July 31, 2018 and 2017
(Expressed in Canadian dollars)

	Common Shares	Share Capital	Reserve*	Subscription received	Deficit	NCI	Total
	#	$	$	$	$	$	$
Balance, July 31, 2017	**68,617,018**	**14,310,995**	**8,822,638**	**4,994,343**	**(17,762,252)**	**-**	**10,365,724**
Shares issued pursuant to:							
Private Placement	34,336,670	33,474,040	-	(4,994,343)	-	-	28,479,697
Warrant exercise	8,418,662	2,546,176	(448,250)	-	-	-	2,097,926
Option exercise	2,426,000	1,834,525	(714,025)	-	-	-	1,120,500
Debt settlement	106,678	106,610	-	-	-	-	106,610
Acquisition of mineral property	3,283,334	3,600,501	-	-	-	-	3,600,501
Consulting fee	300,331	355,252	-	-	-	-	355,252
Acquisition of floatation plant	100,000	105,000	-	-	-	-	105,000
Acquisition of ZincNyx	4,784,258	4,784,258	-	-	-	-	4,784,258
Restricted Share Unit exercise	1,700,000	1,769,700	(1,769,700)	-	-	-	-
Cash share issuance costs	-	(3,210,882)	-	-	-	-	(3,210,882)
Warrant valuation	-	(2,015,255)	2,015,255	-	-	-	-
RSU vesting	-	-	3,639,270	-	-	-	3,639,270
Share-based payments	-	-	3,775,054	-	-	-	3,775,054
Acquisition of PurLucid	-	-	-	-	-	4,896,004	4,896,004
Loss and comprehensive loss for the year	-	-	-	-	(25,378,273)	-	(25,378,273)
Balance, July 31, 2018	**124,072,951**	**57,660,920**	**15,320,242**	**-**	**(43,140,525)**	**4,896,004**	**34,736,641**
Balance, July 31, 2016	**41,753,017**	**3,938,882**	**813,712**	**-**	**(3,845,561)**	-	**907,033**
						-	
Shares issued pursuant to private placements	13,559,035	5,173,125	-	4,994,343	-	-	10,167,468
Issue costs	-	(505,957)	-	-	-	-	(505,957)
Finders units	-	(294,293)	294,293	-	-	-	-
Shares issued pursuant ("RSU")	500,000	520,500	(520,500)	-	-	-	-
Shares issued pursuant to acquisition of mineral						-	
properties	3,233,332	1,589,498	-	-	-		1,589,498
Shares issued for debt settlement	1,020,661	347,702	-	-	-	-	347,702
Shares issued in lieu of consulting fees	367,763	248,618	-	-	-	-	248,618
Shares issued pursuant to floatation plant agreement	300,000	51,000	-	-	-	-	51,000
Shares issued pursuant to PurLucid acquisition	1,500,000	1,605,000	-	-	-	-	1,605,000
Share-based payments	-	-	2,407,750	-	-	-	2,407,750
Vesting of RSU	-	-	6,232,340	-	-	-	6,232,340
Warrant exercise	4,858,210	1,085,530	(187,817)	-	-	-	897,713
Option exercise	1,525,000	551,390	(217,140)	-	-	-	334,250
Loss for the year	-	-	-	-	(13,916,691)	-	(13,916,691)
Balance, July 31, 2017	**68,617,018**	**14,310,995**	**8,822,638**	**4,994,343**	**(17,762,252)**	**-**	**10,365,724**

*Reserve consists of fair values of stock options and a finder's warrants

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

MGX Minerals Inc.
Consolidated Statements of Cash Flows
For the years ended July 31, 2018 and 2017
(Expressed in Canadian dollars)

	2018	2017
	$	$
Cash provided by (used in):		
Operating activities		
Loss for the year	(25,378,273)	(13,916,691)
Items not affecting cash:		
Amortization	5,906	1,553
Loss (gain) on debt settlement	18,687	(10,483)
Shares issued in lieu of consulting fees	287,161	248,618
Share-based compensation	3,775,054	2,407,750
RSU vesting	3,639,271	6,232,340
Unrealized gain on marketable securities	(424,440)	-
Gain (loss) on investment in PurLucid	(106,665)	62,285
Gain on Step acquisition	(1,229,027)	-
Write-down of mineral property	275,470	-
Changes in non-cash working capital items:		
Prepaid expense	(380,519)	(370,092)
GST receivable	(448,589)	(42,914)
Accounts payable and accrued liabilities	291,885	894,452
Due to related parties	(56,409)	33,375
Net cash used in operating activities	(19,730,488)	(4,459,807)
Investing activities		
Acquisition of PurLucid	(2,505,425)	(1,250,000)
Acquisition of ZincNyx	(188,255)	-
Reclamation deposit	(106,125)	(14,000)
Purchase of marketable securities	(200,000)	-
Purchase of equipment	(795,495)	(6,210)
Property acquisition costs	(2,101,734)	(2,006,226)
Net cash used in investing activities	(5,897,034)	(3,276,436)
Financing activities		
Proceeds from private placements	29,028,204	5,173,125
Share issue costs	(2,903,206)	(489,269)
Subscriptions received	-	4,994,343
Proceeds from exercise of options	1,120,500	334,250
Proceeds from exercise of warrants	2,097,926	897,713
Deferred financing costs	-	(307,677)
Net cash provided by financing activities	29,343,424	10,602,485
Change in cash for the year	3,715,902	2,866,242
Cash, beginning of year	2,897,448	31,206
Cash, end of year	6,613,350	2,897,448
Significant non-cash financing and investing activities	**$**	**$**
Shares issued for debt settlement	174,699	347,702
Shares issued for ZincNyx or PurLucid acquisitions	4,784,258	1,605,000
Shares issued for mineral property and plant acquisitions	3,705,501	1,589,498
Supplemental information	**$**	**$**
Interest paid	-	-
Taxes paid	-	-

1. NATURE OF OPERATION AND CONTINUANCE OF BUSINESS

MGX Minerals Inc. ("MGX" or the "Company") was incorporated on April 27, 2012 in Canada under the legislation of the Province of British Columbia. MGX's head office is located at Suite 303 – 1080 Howe Street, Vancouver, BC, V6Z 2T1, Canada. On July 4, 2014, the Company completed a reverse takeover transaction and the Company's common shares are currently listed on the Canadian Stock Exchange ("CSE") under the symbol XMG.

MGX is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at July 31, 2018, the Company has not generated any revenues from operations and has an accumulated deficit of $43,140,525 (July 31, 2017 - $17,762,252). The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. BASIS OF PRESENTATION

Statement of Compliance
These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of Measurement and Functional and Presentation Currency
These consolidated financial statements have been prepared on the historical cost basis, except for certain consolidated financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its consolidated financial statements. These consolidated financial statements are presented in Canadian dollars, which is the Company's and its subsidiary's presentation and functional currency.

3. ACCOUNTING STANDARDS

Basis of consolidation
These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries MGX Renewables Inc. (formerly ZincNyx Energy Solutions Inc.), Manto Gold Corp and Petrolithium Corporation of America. The Company owned a 55.13% interest in PurLucid Treatment Solutions (Canada) Inc. as at July 31, 2018 (July 31, 2017 – 34.12% equity investment). All significant inter-company balances and transactions have been eliminated.

Investment in Associates
An associate is an entity over which the Company has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is presumed to exist when the Company holds between 20% and 50% of the voting power of another entity, but can also arise where the Company holds less than 20% if it has the power to be actively involved and influential in policy decision affecting the entity.

An investment in associate is accounted for using the equity method. Under the equity method, investments in associates are carried in the statement of financial position at cost adjusted for post acquisition changes in the Company's share of net assets of the associate, less any impairment losses. Losses in an associate in excess of the Company's interest in that associate are recognized only to the extent that the Company has incurred a legal or constructive obligation to make payments on behalf of the associate. Unrealized profits or losses on transactions between the Company and an associate are eliminated to the extent of the Company's interest therein.

Mineral properties
The Company charges all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves to operations. These costs would also include periodic fees such as license and maintenance fees.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration, option payment under an earn-in arrangement and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The Company may occasionally enter into option-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would otherwise be undertaken by the Company. The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted as a gain on disposal.

Provision for decommissioning and restoration
The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties in the year in which it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Initially, a provision for a decommissioning liability is recognized based on expected cash flows required to settle the obligation and discounted at a pre-tax rate specific to the liability. The

capitalized amount is depreciated on the same basis as the related asset. Following the initial recognition of the decommissioning liability, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The increase in the provision due to passage of time is recognized as interest expense. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation cash flows. As at July 31, 201, the Company has no known restoration, rehabilitation or environmental liabilities related to its mineral properties.

Income taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized either in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or in equity, respectively. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Financial assets

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

Financial assets classified as FVTPL are measured, subsequent to initial recognition, at fair value with unrealized gains and losses recognized through profit and loss.

Financial assets classified as loans and receivables and held-to-maturity are measured, subsequent to initial recognition, at amortized cost using the effective interest method less any allowance for impairment. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

Financial assets classified as available-for-sale are measured, subsequent to initial recognition, at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered to be a significant or prolonged decline in the fair value of that investment below its cost.

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

The Company has designated its cash and its receivables as loans and receivables.

Financial liabilities
All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivates, are also classified as held-for-trading unless they are designated as effective hedging instruments. Transaction costs on financial liabilities classified as FVTPL are expensed as incurred. Fair value changes on financial liabilities classified as FVTPL are recognized in the statement of loss.

The Company has designated its accounts payable, accrued liabilities, due to related parties and loan payable as other financial liabilities.

Impairment
The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in the income statement.

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. Impairment losses recognized for equity securities are not reversed.

Loss per share
Basic earnings or loss per share is computed by dividing the earnings or loss for the period by the weighted average number of common shares outstanding during the relevant period. The treasury stock method is used for the calculation of diluted earnings or loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other

equity instruments. When a loss has been incurred, basic and diluted loss per share is the same because the exercise of options and warrants would be anti-dilutive.

Comprehensive Income

Comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources, and comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the statement of financial position.

Share-based payments

The Company operates an employee stock option plan. Share based payments to employees are measured at the fair value of the instruments issued and amortized over the relevant vesting periods. Share based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of options is determined using a Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Non-controlling interest

Non-controlling interest is measured at its proportionate share of the acquiree's identifiable net assets or liabilities. Net income or loss and comprehensive income or loss, for the period, are allocated between non-controlling interest and owners of the parent. Non-controlling interest in subsidiaries must be presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

Changes in a Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Flow-through

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration programs. Pursuant to the terms of the flow-through share agreements, the Company agrees to incur qualifying expenditures and renounce the tax deductions associated with these qualifying expenditures to the subscribers at an agreed upon date.

The fair value of the tax benefit received by the subscriber is recorded as a liability which is extinguished when the tax effect of the temporary differences, resulting from the renunciation, is recorded. The difference between the liability and the value of the tax assets renounced is recorded as a deferred tax expense.

Equipment

Property and Equipment are stated at historical cost less accumulated amortization. Amortization is calculated using the following rate on a declining balance basis.

Furnace	10 years	per annum
Computer	3-5 years or 45%	per annum

(Expressed in Canadian dollars)

Furniture and Equipment	5 years or 20%	per annum
Software	1-2 years or 30%	per annum
Vehicle	30%	per annum
Lab equipment	5 years	per annum

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets

Intangible assets are recorded as cost less accumulated amortization and any accumulated impairment losses. Intangible assets with finite useful lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful lives of intangible assets are assessed as either finite or infinite. The amortization method and amortization period of an intangible asset with a finite useful life is reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method as appropriate, and are treated as a change in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of operations.

Intangible asset with indefinite useful lives are not amortized but are tested for impairment annually, either individually or at the cash generating unit (”CGU”) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Changes in accounting standards
The following standards have been issued but are not yet effective.

IFRS 9, Financial instruments
In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB’s project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and derecognition of financial instruments. The Company will adopt IFRS 9 for its financial period beginning August 1, 2018.

IFRS 15, Revenue from Contracts with Customers
In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers* (“IFRS 15’) establishing a comprehensive framework for revenue recognition. The standard replaces IAS 18, *Revenue* and IAS 11, *Construction Contracts* and related interpretations and is effective for annual periods beginning on or after August 1, 2018, with early adoption permitted.

IFRS 16, Leases
In January 2016, the IASB issued IFRS 16, *Leases*, which supersedes IAS 17, *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include valuation of share-based payments and recognition of deferred income tax amounts and provision for restoration, rehabilitation and environmental costs.

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

Site decommissioning obligations
The Company recognizes a provision for future abandonment activities in the financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the statement of financial position date. The measurement of the decommissioning obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates were made by management and external consultants considering current costs, technology and enacted legislation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

Business combination
On the acquisition of a subsidiary, the Company must determine whether the acquisition is a business combination by applying the definition in IFRS 3 Business Combinations. If the assets and liabilities assumed do not constitute a business the transaction would be accounted for as an asset acquisition. Management has determined that the acquisition of PurLucid constituted a business combination as PurLucid met the definition of a business. A business consists of inputs to which processes are applied resulting in outputs that provide a return to the Company and its shareholders.

Business combinations are accounted for using the acquisition method whereby acquired assets and liabilities are recorded at fair value as of the date of acquisition.

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

(Expressed in Canadian dollars)

5. PREPAID

The Company's prepaids as at July 31, 2018 and July 31, 2017 are comprised of the following:

	July 31, 2018 $	**July 31, 2017 $**
Advertising and Promotion	520,228	110,539
Consulting Fees	163,548	204,000
Exploration expenses	272,767	235,828
Other	110,538	3,001
	1,067,081	**553,368**

6. MARKETABLE SECURITIES

During the year ended July 31, 2018, the Company acquired 4,000,000 units at $0.05 per unit, of Belmont Resources Inc. ("Belmont"), with each unit made up of one share and one common share purchase warrant, exercisable at $0.08/$0.09 per share until July 23, 2020. Shares of Belmont considered financial assets at fair value through profit or loss, and are measured at their quoted fair market value. The 4,000,000 warrants were fair valued using the Black-Scholes Option Pricing Model under the following assumptions average risk free interest rate – 2.00%-; expected life – 1.98 years-2 years; expected volatility – 98.76% – 102.00%; and expected dividends – nil.

As at July 31, 2018 shares were re-measured at their quoted fair market value of $400,000 and 4,000,000 warrants were re-measured at a fair value of $224,440 by using the Black Scholes Option Pricing Model with unrealized gain of $424,440 recognized in net loss for the year ended July 31, 2018.

7. ACQUISITION OF ZINCNYX SOLUTIONS

On December 19, 2017, the Company entered into a definitive agreement to acquire MGX Renewables Inc. (formerly ZincNyx Energy Solutions Inc.) ("ZincNyx"). Pursuant to the definitive agreement the Company made cash payment of $250,000 and issued 4,784,258 common shares fair valued at $4,784,258. ZincNyx is a development stage company specializing in the development of zinc air batteries and modular energy storage systems.

The transaction did not meet the definition of a business combination and therefore, has been accounted for as an asset purchase intellectual property. The consideration for the acquisition has been allocated at fair value of the assets and liabilities assumed, based on management's best estimate and taking into account all available information at the time.

(Expressed in Canadian dollars)

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase Price	**$**
4,784,258 common shares of the Company at $1.00	4,784,285
Cash	250,000
	5,034,258

Net assets acquired	**$**
Cash	61,745
Prepaids and deposits	22,379
Intellectual property	4,950,134
	5,034,258

The Company has consolidated the results of ZincNyx from the date of acquisition, December 19, 2017.

8. MINERAL PROPERTIES

As at July 31, 2018 the Company had capitalized $10,276,950 (July 31, 2017 - $4,850,186) of mineral property acquisition costs. During the year ended July 31, 2018 the Company incurred exploration expenditures of $4,093,180 (2017 - $1,375,249). The Company's mineral property assets as at July 31, 2018 and July 31, 2017 and the changes for the years then ended, and exploration expenditures for the year ended July 31, 2018 is provided in Schedule 1.

Fran Claims & Adjacent Claims

The Company entered into an option agreement (the "Option Agreement") on May 24, 2013 and amended on June 30, 2013, to acquire a 100% undivided interest in the Fran Claims (the "Fran Property") located within the Omineca Mining District 60 kilometres north of Fort St. James, British Columbia.

In order to acquire its 100% undivided interest in the Fran Property, the Company must pay Manto Resources Inc. (the "Optionor") a total of $40,000 in cash, issue 24,877,310 shares of the Company to the Optionor and incur up to $100,000 of exploration expenditures on the property.

	Cumulative Exploration Expenditures $	**Common Shares #**	**Cash Payments $**
Upon closing of the plan of arrangement	-	24,823,310 (issued)	-
On or before March 31, 2014	-	54,000 (issued)	-
On or before September 30, 2014	25,000 (incurred)	-	-
On or before September 30, 2017	50,000(incurred)	-	15,000
On or before September 30, 2018	75,000(incurred)	-	10,000
On or before September 30, 2019	100,000(incurred)	-	10,000
On or before September 30, 2020	-	-	5,000

Driftwood Claims

The Company entered into an option agreement on July 7, 2014 to acquire a 90% interest in the Driftwood Claims (the "Driftwood Property"). The Company has completed the requirements as per the agreement and owns a 90% interest in the Driftwood Property.

Longworth Silica Property

On July 21, 2015, the Company completed its acquisition of the Longworth Silica Property ("Longworth") pursuant to which the Company has acquired a 100% undivided interest in Longworth. As per the terms of the acquisition the Company issued 700,000 common shares to Zimtu Capital Corp ("Zimtu"), the shares were fair valued at $350,000.

Koot Silica Property

On March 2, 2015, the Company entered into an Acquisition Agreement with American Manganese Inc. ("AMY") to acquire 100% interest in 166 contiguous hectares located in the Golden mining district of southeastern British Columbia (the "Koot Claims"). Pursuant to the terms of the Acquisition Agreement, the Company issued 100,000 shares to AMY at the fair value of $14,000 and granted a 0.5% Net Smelter Royalty ("NSR") on any future production to AMY, during the year ended July 31, 2015. The Koot Claims are also subject to a 0.5% NSR attributable to Andris Kikauka, a director of the Company.

Wonah Mineral Claims

The Company has entered into an option agreement on December 15, 2015 to acquire up to a 100% interest in the Wonah mineral claims (the "Wonah"). During the year ended July 31, 2018 the Company completed the requirements as per the Wonah agreement and owns 100% interest in Wonah. Pursuant to the agreement, the Company was required to pay the following:

An aggregate of 150,000 common shares under the following schedule:

- 50,000 common shares within 10 days of the effective date of this Agreement (Issued at a fair value of $11,000 in Jan 2016);
- 50,000 common shares by January 1, 2017 (issued and fair valued at $58,500); and
- 50,000 common shares by January 1, 2018 (issued and fair valued at $56,500)

Alberta Lithium

On January 28, 2016, the Company entered into an agreement (the "Alberta Lithium") to acquire a 100% undivided interest in 12 metallic and industrial mineral permits and permit applications in Alberta. As per the Alberta Lithium agreement, the Company had to complete the following:

- Make cash payments of $20,000 on execution of the Alberta Lithium (paid)
- Issue 500,000 common shares of the Company within 10 days of execution of the Lithium Agreement (issued and fair valued at $60,000 in March, 2016);
- Issue 500,000 common shares of the Company by January 28, 2017 (issued and fair valued at $280,000) and;
- Issue 500,000 common shares of the Company by January 28, 2018 (issued and fair valued at $895,000.)

As at July 31, 2018 the Company had completed its requirements per the Alberta Lithium Agreement and owns a 100% undivided interest in the claims.

Buck Lake Lithium

On April 7, 2016, the Company entered into an Option Agreement to acquire an undivided 100% interest in the Buck Lake Lithium claims (the “Buck Lake”). As per the Buck Lake, the Company had to complete the following:

- Make cash payments of $20,000 on execution of the Buck Lake (paid)
- Cash payments of $20,000 each due on April 7, 2017(paid) and April 7, 2018(paid);
- Issue 333,332 common shares of the Company on the execution of the Buck Lake (issued and fair valued at $133,333 on May 4, 2016);
- Issue 333,333 common shares of the Company by April 7, 2017 (issued and fair valued at $389,998 on April 7, 2017);
- Issue 333,334 common shares of the Company by April 7, 2018. (issued and fair valued at $310,001)

Additionally, the Company granted a 2% net smelter royalty, of which 1% may be repurchased by the Company for a one-time cash payment of $1,000,000.

At July 31, 2018 the Company had completed its requirements as per the Buck Lake Option Agreement and owns a 100% interest in the Buck Lake claims.

Sturgeon Lake

On August 16, 2016, the Company entered into an agreement to acquire a 100% interest in the Sturgeon Lake Lithium Brine Property (“Sturgeon Lake”) in west-central Alberta. As per the terms of the agreement the Company issued 2,000,000 common shares fair valued at $340,000 and made a cash payment of $40,000. Additionally, the property is subject to a 2% gross overriding royalty.

Lisbon Valley

On January 31, 2017 the Company entered into an agreement to acquire Lisbon Valley Petro Lithium Project (“Lisbon Valley”) in Utah. As per the agreement the Company made cash payments of $75,000 USD (CAD - $98,588), issued 200,000 common shares (fair valued at $296,000) and make all land management fees.

The Company made additional cash payments of $467,098 related to additional claims during the year ended July 31, 2018. On August 2, 2017, the Company issued an additional 100,000 common shares, fair valued at $96,000, to acquire additional Lisbon Valley Claims.

Paradox Basin

On February 21, 2017 the Company entered into an earn-In agreement with Scientific Metals Corp. to acquire a 50% interest in the Paradox Basin Lithium Brine Property (“Paradox Basin”). As per the agreement the Company can acquire a 50% interest by making cash payments of $50,000 (paid), issuing 150,000 common shares of the Company, issued March 17, 2017 and fair valued at $225,000, and incurring minimum exploration of no less than $250,000 over a 12-month period from the date of execution. The Company decided not to continue with the acquisition of the Paradox Basin property and has written off $275,000 of acquisition costs.

Blueberry Unit

On March 1, 2017 the Company signed an earn-in agreement to acquire 75% interest in leases covering 110,000 acres located contiguous to the Company’s Lisbon Valley project. As per the agreement the Company must complete the following:

- Cash payment of $50,000 USD (paid - $67,800)
- $500,000 USD on or before September 1, 2017 (paid - $648,450)
- $500,000 USD on or before March 1, 2018 (paid - $640,450)
- $450,000 USD on or before September 1, 2018 (paid subsequent to July 31, 2018)

The Company has also granted a Carry Period ("Carry Period") in which the Company will be responsible for 100% of expenses incurred. The Carry Period will be satisfied once the Company has made all required payments or drilled at least one well on the leases.

Power Metals

On September 18, 2017 the Company entered into an agreement with Power Metals Corp. ("Power Metals") in exchange for common shares of the Company. The terms of the transaction are as follows:

- The Company can acquire all of Power Metal's US Petrolithium Brine assets and a 20% working interest in Power Metal's current hard rock assets and any future assets acquired by Power Metals for the following 36 months
- MGX can acquire an additional 15% working interest in Power Metals hard rock assets for a period of 36 months for a total of $10,000,000.
- MGX will receive a call option to purchase up to 10,000,000 common shares of Power Metals at a price of $0.65 per share for a period of 36 months. The options will be granted to MGX if the Company completes the required share issuances.
- MGX will issue Power Metals 3,000,000 common shares that will be restricted and subject to a release schedule of 1,000,000 shares every 5 months from the signing of a definitive agreement. As at July 31, 2018 the Company has issued 2,000,000 common shares fair valued at $1,950,000.

The Company also made cash payments of $80,731 related to other hard rock asset acquisition costs during the year ended July 31, 2018.

REN Mineral Claims

On August 2, 2017 the Company entered into an agreement to acquire a 90% interest in the REN Mineral Claims ("REN") located in the northern Monashee Mountains of Southeastern British Columbia. As per the terms of the agreement the Company can acquire a 90% interest by completing the following:

- Incur exploration and development expenses of $200,000 within two years.
- Cash payments of $33,333 over the next year.
- Issuance of 600,000 common shares of the Company over the next two years (200,000 issued on August 2, 2017 and fair valued at $192,000, 200,000 issued subsequent to July 31, 2018)
- The Company can purchase the remaining 10% interest in the REN property for $200,000 cash at any time.

Gibraltar Claims

On May 17, 2018 the Company acquired the Gibraltar Silicon Claims ("Gibraltar Claims") located northeast of Cranbrook BC. As per the terms of the acquisition agreement the Company acquired a 100% interest in the Gibraltar Claims by issuing 100,000 common shares of the Company, issued on May 17, 2018 and fair valued at $101,000. 50,000 of the common shares were issued to a Director of the Company.

(Expressed in Canadian dollars)

Salinitas Lithium Brine

On July 23, 2018 the Company entered into an option agreement to acquire an 80% interest in the Salinitas Lithium Brine mining tenements ("Salinitas") located in Argentina. As per the terms of the option agreement the Company can acquire 80% interest in Salinitas through the following:

- Cash payment of $250,000 USD (paid - $326,775);
- Cash payments totalling $2,950,000 USD in case the option is exercised by May 31, 2020;
- Incurring exploration expenditures of $1,200,000 USD by May 31, 2020.

Kibby Basin

On July 12, 2018, the Company entered into an option agreement with Belmont Resources Inc. to acquire a 25% interest in the Kibby Basin Property ("Kibby") located in Nevada, the Company must incur exploration expense of $300,000 no later than October 2018. There were no acquisition costs capitalized related to this property as at July 31, 2018.

Prospects and others

The Company currently holds the rights to several prospects, the acquisition costs associated to the prospects have been capitalized. The Company incurred $32,458 of exploration costs related to the prospects during the year ended July 31, 2018. The Company wrote-off $470 in prospect acquisition costs related to prospect the Company will no longer pursue.

9. EQUIPMENT

	Furnace $	Equipment $	Software $	Vehicles $	Total $
Cost:					
Balance, July 31, 2017	**11,426**	**3,652**	**2,558**	**-**	**17,636**
Additions	-	72,837	21,264	59,774	153,876
Balance, July 31, 2018	**11,426**	**76,489**	**23,822**	**59,774**	**171,512**
Accumulated Depreciation:					
Balance, July 31, 2017	2,737	251	160	-	3,148
Amortization	1,143	887	3,876	-	5,906
Balance, July 31, 2018	**3,880**	**1,138**	**4,036**	**-**	**9,054**
Net Book Value:					
July 31, 2017	**8,689**	**3,401**	**2,398**	**-**	**14,488**
July 31, 2018	**7,546**	**75,351**	**19,786**	**59,744**	**162,458**

During the year ended July 31, 2018 the Company acquired a water treatment for $750,000 that as of July 31, 2018 was not ready for use.

The Company also acquired additional equipment from PurLucid valued at $2,200,000 that is currently under development and not ready for use at July 31, 2018.

(Expressed in Canadian dollars)

10. INVESTMENT IN PURLUCID

On November 8, 2016, the Company entered into a definitive agreement (the "Agreement") to acquire up to 100% of PurLucid Treatment Solutions (Canada) Inc. ("PurLucid"). PurLucid is a water and wastewater treatment service company that would work with MGX to further develop the Company's lithium assets.

As per the terms of the Agreement the Company would acquire a 50% interest through the following phases of investment:

- Phase 1 - $50,000 initial payment (paid)
- Phase 2 - $50,000 integration payment to be applied to Phase 3 expenses (paid)

On May 2, 2017 the Company and PurLucid amended the Agreement as follows:

- Phase 3 - cash payments of $950,000 resulting in the Company acquiring 26.62% of the outstanding shares of PurLucid. The completion date of Phase 3 was May 19, 2017, with the total investment in PurLucid at that time being $1,000,000. The Company also exercised an option to acquire an additional 7.5% of the outstanding shares of PurLucid in exchange for 1,500,000 common shares of MGX. The common shares were issued on May 30, 2017 and fair valued at $1,605,000.
- Phase 4 – cash payments of between $500,000 and $1,467,500 by the completion date of December 31, 2017. Upon completion of Phase 4 the Company would increase its total interest in PurLucid to 46.16%. The Company made cash payment of $1,467,500 in December, 2017.
- Phase 5 – cash payments between $1,000,000 and $2,612,500 by the completion date July 31, 2018. On July 31, 2018 the Company made cash payments of $2,612,500 to increase its ownership of PurLucid to 55.13%.

Upon completion of Phase 5, the Company would have a 10-year option period to acquire the remaining outstanding shares of PurLucid.

On July 31, 2018, the Company increased its ownership of PurLucid to 55.13% and thus acquired control, the acquisition of control was accounted for as a business combination achieved in stages. On acquiring control on July 31, 2018, the Company revalued its previously held 46.16% interest at fair value and recognized a gain on step acquisition. The determination of the gain was as follows:

	$
Fair value of 100% at July 31, 2018	12,125,005
Fair value of 46% carrying interest at July 31, 2018	5,345,907
Less carrying value of 46% prior to control	(4,116,880)
Gain on step acquisition	1,229,027

The consideration paid to acquire control was determined to be the fair value of the carrying interest in PurLucid at July 31, 2018 of $5,345,907 and the additional cash consideration of $2,612,500 paid on July 31, 2018. The consideration was allocated to the fair value of the net assets of PurLucid at July 31, 2018. The non-controlling interest was determined as the proportionate share of the fair value of 100% of PurLucid, less a 10% minority discount. The allocation of the purchase price is as follows:

(Expressed in Canadian dollars)

Purchase Price Allocation	**$**
Current assets	967,889
Property, plant and equipment	2,308,381
Current liabilities	(1,006,307)
Loan	(53,044)
Intangible assets*	10,709,117
Deferred tax liabilities	(71,626)
	12,854,411
Consideration	
Cash	2,612,500
Fair value of carrying interest	5,345,907
Non-controlling interest	4,896,004
	12,854,411

*Intangible assets consist of customer agreements and the water treatment platform.

Prior to acquiring control on July 31, 2018, the Company accounted for PurLucid using the equity method of accounting. Upon acquiring control on July 31, 2018, the Company began consolidating the results of PurLucid.

During the year ended July 31, 2018 the Company recorded income of $106,665 on its equity investment in PurLucid.

Changes in the carrying value of the Company's investment in PurLucid are as follows:

	% of ownership	**Amount $**
Balance, July 31, 2016	**-**	**-**
Acquisition	34.12%	2,855,000
Loss from investment in associate	-	(62,285)
Balance, July 31, 2017	**34.12%**	**2,792,715**
Reallocate loan from PurLucid		(250,000)
Acquisition on December 31, 2017	**12.04%**	1,467,500
Income from investment in associate	-	106,665
Reallocate for consolidation upon acquiring control on July 31, 2018	-	(4,116,880)
Balance, July 31, 2018		**-**

11. SHORT-TERM LOAN PAYABLE

As at July 31, 2018, the Company had loans payable of $703,348 (July 31, 2017 - $Nil) through PurLucid, all of which are due on demand with interest of 0% to 14% per annum. During the year ended July 31, 2018, the Company accrued interest of $95,675 (2017 - $Nil).

12. LONG-TERM LOAN PAYABLE

During the year ended July 31, 2018, PurLucid purchased a vehicle through a loan for $59,966. The loan matures on March 8, 2021, is interest free with principal repayments of $769 due bi-weekly. The current portion is immaterial to be reclassified as current liability on a consolidated statement of financial position as at July 31, 2018.

13. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value

b) Financings

Financings during the year ended July 31, 2018 are as follows:

- On August 2, 2017, the Company issued 60,012 common shares to settle debts of $54,012. The shares were fair valued at $57,611 and the Company recorded a loss on debt settlement of $3,599.
- On August 2, 2017 the Company issued 300,000 common shares, fair valued at $288,000, related to mineral property acquisitions (note 8).
- On August 22, 2017, the Company issued 67,415 common shares to settle debts of $60,000. The shares were fair valued at $68,089 and the Company recorded a loss on debt settlement of $8,089.
- On August 22, 2017, the Company issued 7,093 common shares in lieu of consulting fees; the shares were fair valued at $7,164.
- On August 30, 2017 the Company closed a special warrant offering through the distribution of 6,253,842 special warrants of the Company, at a price of $0.90 per special warrant, for gross proceeds of $5,628,458. The Company was required to file a short form prospectus by June 26, 2017, as the Company did not meet this requirement each holder of a special warrant was entitled to receive 1.1 units. As a result, a total of 6,879,224 special warrants were issued. Each special warrant is exercisable at no additional cost into one unit ("Unit"), with each Unit consisting of one common share of the Company and one common share purchase warrant. Each common share purchase warrant is exercisable into one common share of the Company at $1.15 per warrant until May 12, 2019. In connection with the special warrant offering the Company paid finder's fees $945,506 and issued 531,576 compensation warrants ("compensation warrant). Each compensation warrant is exercisable at $0.90 into one Unit until May 12, 2019. The compensation warrants were valued at $448,250 using the Black-Scholes option pricing model based on the following assumptions: risk free rate - 0.79%; expected dividend - nil; expected life – 2 years; expected volatility – 135%.
- On October 27, 2017, the Company issued 46,666 common shares to settle debts of $42,000. The shares were fair valued at $48,999 and the Company recorded a loss on debt settlement of $6,999.
- On October 27, 2017 the Company issued 100,000 common shares, fair valued at $105,000, for a floatation plant (note 8).
- On November 16, 2017, the Company issued 9,867 common shares in lieu of consulting fees; the shares were fair valued at $9,472.
- On November 16, 2017 the Company issued 1,000,000 common shares, fair valued at $960,000, related to mineral property acquisitions (note 8).
- On December 29, 2017 the Company closed a non-brokered financing issuing 5,526,908 flow-through units ("FT Units") at $1.05 per FT Unit for gross proceeds of $5,803,253 and 7,137,000 non-flow-through units ("NFT Unit") at $1.00 per NFT Unit for gross proceeds of $7,137,000. Each NFT Unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire one additional common share for a period of 36 months from the date of closing at an exercise price of $1.15. Each FT Unit consists of one flow-through common share and one half of one common share purchase warrant, with each whole warrant entitling the holder to acquire one additional common share, on a non-flow-through basis, for a period of 36 months at a price of $1.15. The Company allocated a value of $48,694 to the warrants using the residual method and

recorded a flow-through premium of $276,345.

The Company also paid finders fees of $891,782 and issued 439,556 finders shares as well as 439,556 finders warrants. The finder's warrants have the same terms as the warrants in the financing. The finder's warrants were fair valued at $304,740 using the Black-Scholes option pricing model using the following assumptions: risk free rate - 1.54%; expected dividend - nil; expected life – 3 years; expected volatility – 120%.

- On January 12, 2018, the Company issued 100,000 common shares in lieu of consulting fees; the shares were fair valued at $124,000.
- On January 15, 2018, the Company issued 49,075 common shares in lieu of consulting fees; the shares were fair valued at $49,075.
- On January 25, 2018 the Company issued 500,000 common shares, fair valued at $895,000, related to mineral property acquisitions (note 8).
- On February 20, 2018 the Company issued 56,065 common shares in lieu of consulting fees; the shares were fair valued at $88,583
- On March 19, 2018 the Company issued 50,000 common shares, fair valued at $56,500, related to mineral property acquisitions (Note 8)
- On April 5, 2018 the Company issued 333,334 common shares, fair valued at $310,001, related to mineral property acquisitions (note 8)
- On May 8, 2018 the Company issued 10,816 common shares in lieu of consulting fees; the shares were fair valued at $8,869
- On May 17, 2018 the Company issued 100,000 common shares, fair valued at $101,000, related to mineral property acquisitions (note 8)
- On June 25, 2018 the Company closed a closed a non-brokered private placement. The Company issued 5,443,205 flow-through units (the "FT Units") at $1.15 per FT Unit for gross proceeds of $6,259,686 and 8,358,317 non-flow through units (the "NFT Units") at $1.10 per NFT Unit for gross proceeds of $9,232,649. Each NFT unit is comprised of one common share of the Company and one common share purchase warrant entitling the holder of the warrant to acquire on additional common share of the Company for a period of 36 months from the closing date at an exercise price of $1.20. Each FT unit is comprised of one common share issue on a flow-through basis and one half of one common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share, on a non-flow through basis, for a period of 36 months at a price of $1.20. The Company fair valued the warrants at $828,091 using the residual method and recorded a flow-through premium of $272,160.

  The Company issued 552,460 finders shares and 552,460 finders' warrants in connection with the private placement. The finder's warrants were fair valued at $385,479 using the Black-Scholes option pricing model using the following assumptions: risk free rate – 1.84%; expected dividend – nil; expected life – 3 years; expected volatility 116%. The company paid cash finance costs of $1,373,595.
- On July 16, 2018 the Company issued 1,000,000 common shares, fair valued at $990,000, related to mineral property acquisitions (note 8)

Financings during the year ended July 31, 2017 are as follows:

- On September 19, 2016, the Company closed its rights offering issuing 10,062,728 units at $0.18 per unit for gross proceeds of $1,811,291. Each unit consists of one common share and one-half of one purchase warrant, with each warrant exercisable into one common share at a price of $0.20 per share for a period of 24 months. The Company paid $196,410 of cash issue costs related to the financing.
- The Company also issued 1,422,939 finders unit warrants at an exercise price of $0.18 per

unit for a period of 24 months following the closing date. Each finders unit consisted of one common share of the Company and half a share purchase warrant exercisable at $0.20. The finders units were fair valued at $159,820 using the Black-Scholes model based on the following assumptions: risk free rate - 0.51%; expected dividend - nil; expected life – 2 years; expected volatility – 125%.

- On October 7, 2016, the Company issued 2,000,000 common shares fair valued at $340,000 related to a mineral property acquisition
- On October 7, 2016, the Company issued 300,000 in consideration for a float plant rental for the Driftwood creek property
- On October 7, 2016, the Company issued 620,764 common shares to settle debts of $119,738. The shares were fair valued at $105,530 and the Company recorded a gain on debt settlement of $14,208.
- On October 7, 2016, the Company issued 113,888 common shares in lieu of consulting fees; the shares were fair valued at $19,361.
- On November 8, 2016, the Company issued 40,695 common shares in lieu of consulting fees; the shares were fair valued at $6,511.
- On November 8, 2016 the Company issued 111,111 common shares to settle debt of $20,000. The shares were fair valued at $17,778 and the Company recorded a gain on debt settlement of $2,222.
- On January 26, 2017 the Company issued 141,046 common shares to settle debt of $58,904. The shares were fair valued at $73,142 and the Company recorded a loss on debt settlement of $14,238.
- On March 3, 2017 the Company issued 1,430 common shares in lieu of consulting fees; the shares were fair valued at $2,116
- On March 3, 2017 the Company issued 200,000 common shares, fair valued at $296,000, related to the Lisbon Valley acquisition
- On March 10, 2017 the Company issued 2,435 common shares in lieu of consulting fees; the shares were fair valued at $3,628.
- On March 17, 2017 the Company issued 150,000 common shares, fair valued at $225,000, relating to the Paradox Basin acquisition
- On April 7, 2017 the Company issued 4,346 common shares to settle debt of $5,650. The shares were fair valued at $5,085 and the Company recorded a gain on debt settlement of $565.
- On April 7, 2017 the Company issued 333,332 common shares, fair valued at $389,998, related to the Buck Lake claims
- On April 7, 2017 the Company issued 50,000 common shares, fair valued at $58,500, related to the Wonah claims
- On April 7, 2017 the Company issued 2,413 common shares in lieu of consulting fees; the shares were fair valued at $2,823.
- On May 17, 2017 the Company issued 3,942 common shares in lieu of consulting fees; the shares were fair valued at $4,218.
- On May 17, 2017 the Company issued 100,000 common shares to settle debt of $87,000. The shares were fair valued at $107,000 and the Company recorded a loss on debt settlement of $20,000.
- On May 17, 2017 the Company issued 39,622 common shares to settle debt of $42,000. The shares were fair valued at $42,396 and the Company recorded a loss on debt settlement of $396.
- On June 12, 2017 the Company closed a non-brokered private placement, issuing 3,361,834 flow-through units (“Flow Through Units”) at $1.00 per Flow Through Unit for gross proceeds of $3,361,834. Each Flow Through Unit consists of one flow-through share and one-half of a transferable common share purchase warrant, with each whole warrant entitling the holder to acquire one common share of the Company at a price of $1.15 per warrant, expiring on June 13, 2019. The Company also issued 134,473 finders shares and 134,473 finders

(Expressed in Canadian dollars)

warrants. The warrants were allocated fair value of $nil using the residual method and there was no flow-through premium on this financing. The Company incurred $300,808 of cash share issuance costs. The finders warrants were fair valued at $134,473 using the Black-Scholes model based on the following assumptions: risk free rate - 0.83%; expected dividend - nil; expected life – 2 years; expected volatility – 125%.

- On June 12, 2017 the Company issued 102,960 common shares in lieu of consulting fees; the shares were fair valued at $102,960.
- On June 12, 2017 the Company issued 103,772 common shares to settle debt of $110,000. The shares were fair valued at $103,772 and the Company recorded a gain on debt settlement of $6,228.

c) Share purchase options

The balance of share purchase options outstanding and exercisable as at July 31, 2018 and July 31, 2017 and the changes for the years then ended is as follows:

	Number of Options #	Weighted Average Exercise Price $	Weighted Average Life Remaining (years)
Balance, July 31, 2016	**3,975,000**	**0.31**	**1.71**
Granted	4,835,000	1.03	
Exercised	(1,525,000)	0.22	
Expired	(200,000)	0.58	
Balance, July 31, 2017	**7,085,000**	**0.81**	**1.59**
Granted	5,000,000	0.90	
Exercised	(2,426,000)	0.46	
Expired	(300,000)	0.38	
Balance, July 31, 2018	**9,359,000**	**0.97**	**1.81**

The Company recorded share-based compensation expense of $3,775,054 during the year ended July 31, 2018 (2017 - $2,407,750) as the Company granted 5,000,000 stock options, vesting immediately, to directors, officers and consultants of the Company and through the vesting of previously granted options. The Company fair valued the options granted during the period using the Black-Scholes option pricing model based on the following assumptions:

	2018	**2017**
Risk-free rate	0.89%-0.96%	0.79%
Expected life of options (years)	2 – 3	2 – 3
Annualized Volatility	117%-125%	125%
Dividend rate	Nil	Nil
Forfeiture rate	Nil	Nil

(Expressed in Canadian dollars)

As at July 31, 2018, the following share purchase options were outstanding and exercisable:

Expiry Date	**Exercise price $**	**Remaining life (years)**	**Options outstanding**
January 24, 2019	1.00	0.48	2,559,000
March 21, 2019	1.42	0.64	100,000
June 12, 2019	1.06	0.87	200,000
June 30, 2019	0.90	0.92	200,000
November 2, 2019	0.96	1.26	200,000
March 3, 2020	1.25	1.59	200,000
June 12, 2020	1.06	1.87	1,300,000
August 1, 2020	0.95	2.01	500,000
April 30, 2021	0.89	2.75	4,100,000
			9,359,000

d) Warrants

The balance of warrants outstanding and exercisable as at July 31, 2018 and July 31, 2017 and the changes for the years then ended are as follows:

	Number of Warrants	**Weighted average exercise price $**
Balance, July 31, 2016	**6,692,662**	**0.19**
Expired	(472,364)	0.65
Exercised	(4,858,210)	0.18
Issued	8,981,162	0.39
Balance, July 31, 2017	**10,343,250**	**0.35**
Issued	30,021,080	1.16
Exercised	(8,418,662)	0.25
Balance, July 31, 2018	**31,945,668**	**1.14**

The following table summarizes the warrants outstanding as at July 31, 2018:

Warrants	**Exercise Price**	**Expiry Date**
#	$	
967,489*	0.20	September 21, 2018
6,775,224	1.15	May 12, 2019
584,734	1.15	May 12, 2019
1,535,170	1.15	June 12, 2019
134,473	1.55	June 12, 2019
10,316,200	1.15	December 27, 2020
11,632,378	1.20	June 25, 2021
31,945,668	**1.14**	

*(Note 19).

(Expressed in Canadian dollars)

e) Restricted Stock Units (“RSU”)

On January 29, 2017 the Company entered into an agreement to issue 9,500,000 RSU’s as compensation for a service agreement. Each RSU allows the holder to acquire one common share without par value of the Company. The RSU vest over two years and match the length of the service agreement. The vesting dates are as follows:

# of RSU	Vesting Date
1,425,000	May 1, 2017
1,425,000	August 1, 2017
1,650,000	November 1, 2017
1,650,000	February 1, 2018
1,675,000	May 1, 2018
1,675,000	August 1, 2018
9,500,000	

The grant date fair value of the RSU is $9,889,500 and is based on the market price of the Company’ common shares at the effective date of January 29, 2017. The amount will be recognized evenly over the vesting periods. For the year ended July 31, 2018, the Company recorded $3,639,271 of expense related to the RSU. The Company has recorded the expense to management fees. During the year ended July 31, 2018, 1,700,000 common shares of the Company were issued in respect to the RSU’s.

As at July 31, 2018, 7,825,000 RSU have vested and 2,200,000 have been exercised.

On May 16, 2018 Marc Bruner, Director and consultant at the time, filed a Petition against the Company in British Columbia Supreme Court seeking a declaration that the Company acted unfairly and in bad faith by not permitting shares to vest that he alleges were owed to him and an order to direct the Company to issue the shares and to compensate him for any losses that he may have suffered. The Company has reviewed the Petition and believes the claims are without merit. The Company intends to vigorously defend this matter and has filed a Response to the Petition which includes set-off claims against Mr. Bruner for his breaches of the consultancy agreement (the “Agreement”). In its response to the Petition, the Company also accepted Mr. Bruner’s repudiation of the Agreement and as a result the Agreement is terminated.

e) Flow-through obligation

Flow-through share arrangements entitle the holder of the flow-through share to a 100% tax deduction in respect of qualifying Canadian exploration expenses as defined under the Income Act, Canada (“Qualifying CEE”). During the calendar year ending December 31, 2017 the Company received $9,165,087 of flow-through share proceeds and renounced the full amounts at December 31, 2017. As a result, the flow-through premium liability of $276,345 was recognized as deferred tax recovery on the consolidated statements of loss during the year ended July 31, 2018.

The Company received an additional $6,259,686 of flow-through share proceeds on June 25, 2018. These amounts have not yet been renounced as at July 31, 2018. The Company has recorded a flow-through premium liability of $272,160 with respect to this issuance.

(Expressed in Canadian dollars)

14. RELATED PARTY TRANSACTIONS

The Company incurred the following charges with directors and officers of the Company and/or companies controlled by them during the years ended July 31, 2018 and 2017:

	2018	**2017**
	$	**$**
Management fees	3,989,771	6,364,340
Geological fees	45,450	25,400
Legal	70,323	-
Share-based payments	1,429,741	1,129,966
	5,535,285	7,519,706

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

As at July 31, 2018, the Company had $68,354 (July 31, 2017 - $124,763) owing to related parties, all of which is unsecured, non-interest bearing and due on demand. A total payable of $64,330 (July 31, 2017 - $120,739) was owed to directors and officers of the Company and companies owned by them. A payable of $960 (2017 - $960) was owed to a company with common directors and a payable of $3,064 (2017 - $3,064) was owed to a former parent company.

Refer to Notes #7, 8 and 10 for additional related party transactions.

15. SEGMENTED INFORMATION

The Company operates in three reportable operating segments, the first being the acquisition and exploration of mineral properties in Canada, USA and Argentina; the second being the development of zinc-air batteries through its wholly owned subsidiary MGX Renewables and the third being water treatment and mineral extraction of waster water through PurLucid.

A breakdown of the Company's assets by operating and geographic segment as at July 31, 2018 and July 31, 2017 are as follows:

	July 31, 2018	**July 31, 2017**
	$	$
Mineral properties		
Canada	5,987,721	2,382,960
USA	3,962,454	2,467,226
Argentina	326,775	
Total	**10,276,951**	**4,850,186**
MGX Renewables		
Canada	**4,950,134**	**-**
PurLucid		
Canada	**10,709,117**	**-**

The Company's incurred losses of $1,286,379 (2017 - $nil) for year ended July 31, 2018 relating to MGX Renewables

(Expressed in Canadian dollars)

16. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments
The Company classifies its financial instruments as follows:

	July 31, 2018	July 31, 201
	$	$
Loans and receivables:		
Cash	6,613,350	2,897,448
FVTPL:		
Marketable securities	624,440	-
Financial liabilities, measured at amortized cost		
Accounts payable and accrued liabilities	2,106,269	1,072,623
Due to related parties	68,354	124,763
Loan payable	756,392	-
	2,931,015	1,197,386

(b) Fair values
The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

As at July 31, 2018, the fair values of financial instruments measured on a recurring basis include cash and marketable securities, determined based on level one inputs and consisting of quoted prices in active markets for identical assets. The fair values of other financial instruments, which include accounts payable and accrued liabilities, due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

(c) Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at July 31, 2017, the Company has working capital of $5,676,527(2017 – 2,370,658).

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

(d) Price Risk
The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(e) Interest rate risk
Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

(f) Foreign currency exchange rate risk
The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

17. INCOME TAXES

The income taxes shown in the Statements of Loss and Comprehensive Loss differ from the amounts obtained by applying statutory rates to the loss before income taxes due to the following:

	2018	2017
	$	$
Statutory tax rate	27.00%	26.00%
Loss before income taxes	(25,654,618)	(13,916,691)
Expected income tax recovery	(6,926,747)	(3,620,618)
Increase (decrease) in income tax recovery resulting from:		
Items deductible and not deductible for income tax purposes	1,590,234	2,143,114
Acquisition of ZincNyx	385,117	-
Flow-through premium recognized	(276,345)	-
Change in tax rate	(75,892)	-
Current and prior tax attributes not recognized	5,027,288	1,477,504
Deferred income tax recovery	(276,345)	-

Details of deferred tax assets (liabilities) are as follows:

	2018	2017
	$	$
Non-capital losses	6,203,476	3,069,732
Share issue costs	698,461	67,539
Others	27,496	456,090
	6,929,433	3,593,361
Less: Unrecognized deferred tax assets	(7,001,060)	(3,593,361)
	(71,627)	-

The Company has approximately $22,973,000 of non-capital losses available, which begin to expire in 2032 through to 2038 and may be applied against future taxable income. The Company also has approximately $10,900,000 of exploration and development costs which are available for deduction against future income for tax purposes. At July 31, 2018, the amount of $7,001,060 which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

18. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements as at July 31, 2018.

19. SUBSEQUENT EVENTS

Subsequent to July 31, 2018:

1. The Company issued 1,199,198 common shares to increase its ownership in PurLucid by 5%.
2. The Company entered into an arrangement agreement ("Spin-out"), with its wholly owned subsidiary MGX Renewables Inc. whereby MGX will complete a spin out of 40% of the common shares of MGX Renewables Inc. pursuant to a plan of arrangement under the Business Corporations Act (British Columbia). The completion of the Spin-out is subject to shareholders and the Exchange approvals.
3. 861,717 warrants were exercised for gross proceeds of $172,343 and 105,772 warrants expired on September 21, 2018.
4. The Company granted 2,500,000 stock options, vesting immediately, with a weighted average exercise price of $0.75.
5. The Company issued 200,000 commons shares pursuant to the Ren Mineral Claims agreement (Note 8).
6. The Company issued 1,144,624 common shares pursuant to a mineral property acquisition.
7. The Company issued 389,407 common shares in lieu of consulting fees.
8. The Company issued 100,000 common shares to extend its rental of the Floatation plan for the Driftwood property.
9. The Company completed the first tranche of a non-brokered private placement issuing 2,000,000 non-flow-through units ("NFT Units") at $0.60 per NFT Unit. Each NFT Unit consists of one common share of the Company and one common share purchase warrant that entitles the holder to acquire one additional common share for a period of 36 months from the date of closing at an exercise price of $0.67 The Company also issued 3,070,767 flow-through units ("FT Units") at $0.65 per FT Unit. Each FT Unit consists of one flow-through common share and one-half common share purchase warrant. Each full warrant entitles the holder to acquire an additional common share of the Company for a period of 36 months from the date of closing at an exercise price of $0.70.

MGX Minerals Inc. **Schedule 1**

Schedule of Mineral Properties
For the year ended July 31, 2018 and 2017
(Expressed in Canadian dollars)

The following table summarizes the Company's mineral property assets as at July 31, 2018 and July 31, 2017 and the changes for the years then ended, and exploration expenditures for the year ended July 31, 2018.

	Driftwood	**Fran**	**Canada Lithium**	**US Petrolithium**	**Argentina Lithium**	**Case Lake**	**Silica Projects**	**Prospects and Others**	**Total**
	$	$	$	$	$	$	$	$	$
Deferred costs									
Balance July 31, 2017	**230,231**	**414,429**	**1,303,331**	**2,467,226**	**-**	**-**	**364,000**	**70,969**	**4,850,186**
Paid in cash	-	-	20,000	1,674,228	326,775	80,731	-	-	2,101,734
Paid by issue of shares	-	-	1,397,001	96,000	-	1,950,000	101,000	56,500	3,600,501
Write-off of mineral property	-	-	-	(275,000)	-	-	-	(470)	(275,470)
Balance, July 31, 2018	**230,231**	**414,429**	**2,720,332**	**3,962,454**	**326,775**	**2,030,731**	**465,000**	**126,999**	**10,276,951**
Exploration expenditures									
Assays	-	250	19,519	-	-	17,390	-	-	37,159
Administrative	55	11,245	22,697	23,301	-	13,525	-	-	70,823
Consulting	141,553	11,401	559,336	174,391	-	128,725	13,373	-	1,028,779
Drilling	233,070	43,633	-	-	-	274,575	158,855	-	710,133
Engineering	62,844	-	94,026	-	-	-	-	-	156,870
Excavation	6,000	1,250	-	-	-	-	20,075	-	27,325
Field work	465,380	203,646	60,544	67,389	-	6,601	50,407	1,567	855,534
Freight	3,387	-	-	-	-	-	18,431	16	21,834
Geological	124,725	57,015	57,800	429,330	54,898	55,084	57,125	22,545	858,522
Lab work	23,493	130	1,791	3,754	-	-	2,834	752	32,754
Licenses and fees	5,369	30,024	11,274	-	-	-	-	5,661	52,328
Miscellaneous	648	10,710	350	-	-	16,970	31,944	34	60,656
Travel & accommodation	61,268	51,510	11,344	31,677	-	7,430	15,351	1,883	180,463
Total at July 31, 2018	**1,127,792**	**420,814**	**838,681**	**729,842**	**54,898**	**520,300**	**368,395**	**32,458**	**4,093,180**