Jade Leader Corp.

(Formerly Manson Creek Resources Ltd.)

Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Three and Nine Months Ended June 30, 2018

(Unaudited)

August 27, 2018

MANAGEMENT'S RESPONSIBILITY FOR CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Jade Leader Corp. ("Jade Leader") (formerly Manson Creek Resources Ltd.) are the responsibility of the Board of Directors. The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These unaudited condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with Jade Leader's audited annual consolidated financial statements and notes thereto for the year ended September 30, 2017. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies and methods of application as those included in Jade Leader's most recent audited annual consolidated financial statements, except as described in Note 3 "Significant accounting policies". Management acknowledges responsibility for the preparation and presentation of the financial statements, including responsibility for significant accounting judgements and estimates and the choice of accounting principles and methods that are appropriate to Jade Leader's circumstances. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 "Interim Financial Reporting" using accounting policies consistent with IFRS appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited operations and cash flows of Jade Leader, as of the date of and for the period presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and for ensuring that management fulfils 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 internal controls over the financial reporting process, the financial statements and the auditors' report. The Audit Committee also reviews Jade Leader's Management's Discussion and Analysis to ensure that the financial information reported therein is consistent with the information presented in the financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the financial statements for issuance to the shareholder.

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

"Jean-Pierre Jutras"

Jean-Pierre Jutras
President/Director

"Shari Difley"

Shari Difley
Chief Financial Officer

AUDITOR INVOLVEMENT

The accompanying unaudited condensed interim consolidated financial statements of Jade Leader have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the nine months ended June 30, 2018 have not been reviewed by Jade Leader’s auditors.

Jade Leader Corp.

(Formerly Manson Creek Resources Ltd.)

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars)

As at June 30, 2018 and September 30, 2017

(Unaudited - prepared by management)

		June 30, 2018		September 30 2017
ASSETS				
Current Assets				
Cash (Note 5)	**$**	**80,541**	$	204,953
Accounts receivable (Note 6)		**10,744**		3,870
Mining exploration tax credit receivable (Note 8)		**5,288**		-
Prepaid expenses		**10,519**		12,647
Short-term investments (Note 7)		**-**		1
		107,092		221,471
Non-current Assets				
Exploration and evaluation assets (Note 8)		**623,277**		491,852
Equipment and software (Note 9)		**2,375**		2,806
		625,652		494,658
TOTAL ASSETS	**$**	**732,744**	$	716,129
EQUITY AND LIABILITIES				
Current Liabilities				
Deferred sublease revenue	**$**	**-**	$	913
Accounts payable and accrued liabilities (Note 10)		**55,007**		28,625
		55,007		29,538
Non-current Liabilities				
Decommissioning obligation (Note 11)		**12,750**		12,750
Deferred sublease revenue		**913**		-
		13,663		12,750
TOTAL LIABILITIES		**68,670**		42,288
EQUITY				
Share capital (Note 12)		**12,755,668**		12,619,161
Reserves		**2,569,802**		2,034,622
Deficit		**(14,661,396)**		(13,979,942)
TOTAL EQUITY		**664,074**		673,841
TOTAL EQUITY AND LIABILITIES	**$**	**732,744**	$	716,129

Nature of operations and going concern (Note 1)
Commitments (Note 18)

Approved by the Board

"Jean-Pierre Jutras"
__________________________ **Director**

"Shane Ebert"
__________________________ **Director**

See accompanying notes to the financial statements.

Jade Leader Corp.

(Formerly Manson Creek Resources Ltd.)

Condensed Interim Statements of Net and Comprehensive Loss

(Expressed in Canadian Dollars)

For the three and nine month periods ended June 30, 2018 and 2017

(Unaudited - prepared by management)

	Three months ended		Nine months ended	
	June 30, 2018	**June 30, 2017**	**June 30, 2018**	**June 30, 2017**
Expenses				
General and administrative (Note 14)	**$ 78,730**	$ 28,531	**$ 644,214**	$ 76,333
Reporting to shareholders	**(660)**	-	**16,478**	1,994
Professional fees	**2,121**	1,262	**18,154**	3,207
Stock exchange and transfer agent fees	**4,580**	1,803	**11,368**	7,286
Depreciation	**144**	11	**431**	33
Pre-acquisition costs	**-**	5,896	**4,922**	6,556
	84,915	37,503	**695,567**	95,409
Loss before other items	**(84,915)**	(37,503)	**(695,567)**	(95,409)
Other items				
Sublease revenue	**4,632**	4,686	**13,830**	16,701
Interest and other	**74**	45	**284**	272
Loss from short-term investments	**-**	-	**(1)**	-
	4,706	4,731	**14,113**	16,973
Net loss and comprehensive loss	**$ (80,209)**	$ (32,772)	**$ (681,454)**	$ (78,436)
Basic and diluted loss per share (Note 16)	**$ 0.00**	$ 0.00	**$ (0.02)**	$ 0.00
Weighted average shares outstanding - basic and diluted (Note 16)	**33,063,595**	31,741,397	**32,585,885**	29,052,753

Nature of operations and going concern (Note 1)

See accompanying notes to the financial statements.

Jade Leader Corp.

(Formerly Manson Creek Resources Ltd.)

Condensed Interim Statements of Cash Flows

(Expressed in Canadian Dollars)

For the three and nine month periods ended June 30, 2018 and 2017

(Unaudited - prepared by management)

	Three months ended		Nine months ended	
	June 30, 2018	**June 30, 2017**	**June 30, 2018**	**June 30, 2017**
Increase (decrease) in cash at bank				
Operating activities				
Cash received from sublease revenue (Note 19)	**$ (231)**	5,599	**$ 8,967**	17,614
Cash paid to suppliers and contractors (Note 19)	**(61,081)**	$ (44,502)	**(239,917)**	$ (96,827)
Cash used in operating activities	**(61,312)**	(38,903)	**(230,950)**	(79,213)
Investing activities				
Interest and other income received	**74**	45	**284**	272
Cash expended on exploration and evaluation asset additions (Note 19)	**(63,667)**	(17,385)	**(118,233)**	(22,250)
Cash received (used) in investing activities	**(63,593)**	(17,340)	**(117,949)**	(21,978)
Financing Activities				
Share capital and warrant issue proceeds	**-**	30,000	**200,000**	380,000
Share issue costs	**-**	(3,136)	**(8,513)**	(21,807)
Options exercised	**23,000**	-	**23,000**	-
Warrants exercised	**10,000**	-	**10,000**	-
Cash provided by financing activities	**33,000**	26,864	**224,487**	358,193
Increase (decrease) in cash at bank	**(91,905)**	(29,379)	**(124,412)**	257,002
Cash at bank:				
Beginning of period	**172,446**	324,525	**204,953**	38,144
End of period	**$ 80,541**	$ 295,146	**$ 80,541**	$ 295,146

Supplementary information:

Interest and taxes

During the three and nine month periods ended June 30, 2018 and June 30, 2017 the Company did not expend cash on interest or taxes.

Non-cash transactions:

2018

During the three and nine month periods ended June 30, 2018, the Company granted stock options to officers, directors and consultants and recorded a non-cash charge for stock-based payments in the amounts of $Nil and $447,200 respectively. The value of the stock-based payments is included in general and administrative expenses (Note 15 - "Share-based payment transactions").

2017

During the nine month period ended June 30, 2017, there were no non cash transactions.

See accompanying notes to the financial statements.

Jade Leader Corp.
(Formerly Manson Creek Resources Ltd.)
Condensed Interim Statement of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited - prepared by management)

		Reserves					
	Common share capital $	**Equity-settled share based payment $**	**Warrants $**	**Other* $**	**Total Reserves $**	**Deficit $**	**Total $**
Balance, September 30, 2016	**12,404,263**	**69,620**	**55,939**	**1,765,768**	**1,891,327**	**(13,845,951)**	**449,639**
Net and comprehensive loss for the period	-	-	-	-	-	(78,436)	(78,436)
Private placement share and warrant issue	236,705	-	143,295	-	143,295	-	380,000
Share issuance costs	(21,807)	-	-	-	-	-	(21,807)
Balance, June 30, 2017	**12,619,161**	**69,620**	**199,234**	**1,765,768**	**2,034,622**	**(13,924,387)**	**729,396**
Net and comprehensive loss for the period	-	-	-	-	-	(55,555)	(55,555)
Options expired	-	(400)	-	400	-	-	-
Balance, September 30, 2017	**12,619,161**	**69,220**	**199,234**	**1,766,168**	**2,034,622**	**(13,979,942)**	**673,841**
Net and comprehensive loss for the period	-	-	-	-	-	(681,454)	(681,454)
Warrants expired	-	-	(55,939)	55,939	-	-	-
Options issued, October 20, 2017	-	17,500	-	-	17,500	-	17,500
Private placement share and warrant issue	90,844	-	109,156	-	109,156	-	200,000
Share issuance costs	(8,513)	-	-	-	-	-	(8,513)
Options issued, January 16, 2018	-	277,200	-	-	277,200	-	277,200
Options issued, February 22, 2018	-	57,000	-	-	57,000	-	57,000
Options issued, March 14, 2018	-	95,500	-	-	95,500	-	95,500
Options exercised, April 18, 2018	40,480	(17,480)	-	-	(17,480)	-	23,000
Warrants exercised, June 4, 2018	13,696	-	(3,696)	-	(3,696)	-	10,000
Balance, June 30, 2018	**12,755,668**	**498,940**	**248,755**	**1,822,107**	**2,569,802**	**(14,661,396)**	**664,074**

*Other reserves is comprised of the aggregate of the carrying value of escrow shares that were cancelled for no proceeds and the value of options and warrants that expired without exercise. These values were relieved from common share capital, share based payment reserve and warrants reserve respectively upon the cancellation/expiry of the equity instrument.

See accompanying notes to the financial statements.

1. Nature of operations and going concern

Jade Leader Corp. ("Jade Leader" or "the Company") (formerly Manson Creek Resources Ltd.) is engaged in the business of mineral exploration and development in Canada and USA. The Company was incorporated under the laws of the Province of British Columbia, Canada and continued under the Business Corporations Act (Alberta). The address of its primary office is Suite 815, 808 - 4th Avenue SW, Calgary, Alberta, Canada, T2P 3E8. Effective at the opening of trading on March 21, 2018, the common shares of Jade Leader commenced trading on the TSX Venture Exchange under the symbol JADE and the common shares of Manson Creek Resources Ltd. were delisted.

Since inception, the efforts of the Company have been devoted to the acquisition, exploration and development of mineral properties. To date the Company has not received any revenue from mining operations and has not determined whether mineral properties contain ore reserves that are economically recoverable.

Mineral properties are recognized in these financial statements in accordance with the accounting policies outlined in Note 3(f) "Exploration and evaluation assets" of the audited annual consolidated financial statements for the year ended September 30, 2017. Accordingly, their carrying values represent costs incurred to date, net of recoveries, abandonments and impairments. The recoverability of these amounts is dependent upon the existence of economically recoverable mineral reserves; the acquisition and maintenance of appropriate permits, licenses and rights; the ability of the Company to obtain necessary financing to further exploration initiatives and/or complete the development of properties where necessary, and upon future profitable operations; or alternatively, upon the Company's ability to recover its costs through a disposition of its interests.

The Company has an accumulated deficit of $ 14,661,396 at June 30, 2018, (September 30, 2017 - $13,979,942) and working capital of $52,085, (September 30, 2017 - $ 191,933) and has no source of operating cash flow. The Company is dependent upon raising funds through the issuance of shares and/or attracting joint venture partners in order to undertake exploration and development of its mineral properties and to finance general and administrative and operating expenses. The continuing operations of the Company are dependent upon its ability to obtain adequate financing or to commence profitable operations in the future. While the Company has sufficient working capital to continue operating through the end of its fiscal year, and early into the next year, additional financing will be required to fund operations in fiscal 2019 and to fund exploration programs and property acquisition commitments in fiscal 2019 and beyond. These circumstances indicate a material uncertainty that may cast significant doubt as to the ability of the Company to meet its obligations as they come due and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The Company will be required to raise additional capital to meet its funding requirements for ongoing administrative and operating costs in fiscal 2019 and beyond and to fund ongoing or expanded exploration programs and property acquisitions. There can be no assurance that the Company will be successful in obtaining financing. These financial statements do not reflect the adjustments that might be necessary to the carrying amount of reported assets, liabilities, revenues and expenses if the Company could not continue as a going concern. Such adjustments could be material.

2. Basis of presentation

a) Basis of presentation

These condensed interim consolidated financial statements are unaudited and have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting", using accounting policies consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretation of the International Reporting Interpretations Committee ("IFRIC") and are presented in Canadian dollars.

2. Basis of presentation (continued)

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments described in Note 13 and decommissioning obligations described in Note 11. In addition, these statements have been prepared using the accrual basis of accounting except for cash flow information.

b) Principles of consolidation

The unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned US subsidiary, Jadex Corporation, ("Jadex"). Jadex was incorporated by the Company on July 7, 2017, in Washington State, USA, to conduct its exploration and development business in the United States (refer to Note 8 - "Exploration and evaluation assets" for more information). All intercompany transactions and balances have been eliminated on consolidation. Subsidiaries are fully consolidated from the date control is obtained and are de-consolidated from the date control ceases. The functional currency of Jadex is the Canadian dollar.

3. Significant accounting policies

The financial framework and accounting policies applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those as disclosed in its most recently completed audited annual consolidated financial statements for the year ended September 30, 2017.

a) New accounting policies

Jade Leader did not adopt any new accounting policies during the nine month period ended June 30, 2018.

b) New accounting standards and interpretations

Certain new accounting standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for periods subsequent to those disclosed in these financial statements. Many are not applicable or do not have a significant impact to Jade Leader and have been excluded from below. They include the following:

i) IFRS 9 - Financial Instruments

Financial instruments, and consequential amendments to other related standards, are effective for accounting periods commencing on or after January 1, 2018. However, new amendments related to IFRS 9 were issued in November 2013 and were applied prospectively in the financial statements for the 2014 year, as the Company early-adopted this section. These amendments relate to hedging and own credit risk, to which the Company is not exposed, therefore these amendments did not have a significant impact on its financial reporting.

4. Significant accounting judgements and estimates

The preparation of these unaudited condensed interim consolidated financial statements may require management to make certain estimates, judgements and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from these estimates. Circumstances could arise over the years that would require material revisions to these estimates. Changes in assumptions could have a material effect on the fair value of estimates.

(Expressed in Canadian Dollars)

4. Significant accounting judgements and estimates (continued)

These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may required accounting adjustments based on future occurrences. Adjustments resulting from revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Significant estimates include:

- the carrying value of investments and the recoverability of the carrying value which is included in the balance sheet;
- the carrying values of exploration and evaluation assets that are included in the balance sheet, including the assumptions that are incorporated into the impairment assessments, and the amount of impairments that are included in the statement of loss and comprehensive loss. (Refer to Note 1);
- the estimate of the amount of decommissioning obligation and the inputs used in determining the net present value of the liabilities for asset retirement obligations included in the balance sheet.
- the value of share-based compensation expense in the statement of loss and comprehensive loss and the value of warrants that have been issued in connection with private placements and are included in the balance sheet, which are valued using valuation models and incorporate assumptions made by management of stock volatility, interest rates and exercise periods;
- the collectible amount of government incentives which are subject to review by granting authorities, affecting the carrying value of receivables and exploration and evaluation assets.

5. Cash

		June 30, 2018		September 30, 2017
Current bank accounts	**$**	**79,336**	$	204,953
Cash held in foreign currencies		**1,205**		-
	$	**80,541**	$	204,953

6. Accounts receivable

		June 30, 2018		September 30, 2017
Related party receivables		**7,571**		1,071
Sales tax receivables		**3,173**		2,799
	$	**10,744**	$	3,870

7. Short-term investments

		June 30, 2018		September 30, 2017
North Sur Resources Inc. **Common Shares** (June 30, 2018 - 200,000, September 30, 2017 - 200,000)	**$**	**-**	$	1

During the year ended September 30, 2017, Nor Sur Resources Inc. shares were transferred from the TSX Venture Exchange to the NEX and on March 28, 2018, the shares were delisted. The investment has consequently been written off.

8. Exploration and evaluation assets
DJ Jade Project, Washington State, USA

On August 28, 2017, the Company announced its acquisition of the DJ Jade project, in Washington State, USA, through a combination of Option Agreement and staking. The gross costs and impairments recorded for the DJ Jade project at June 30, 2018 are $120,801 and $Nil, respectively (September 30, 2017 - $47,319 and $Nil, respectively).

The property, consisting of existing and recently filed Lode Claims covers an area of slightly more than 140 hectares, with 3 historical and numerous newly identified nephrite jade occurrences, which have been visited and confirmed by the Company's representative. The portion of the claims under option require a total of US$86,000 in property payments, (US$6,000 of which has been paid for the first year and $15,000 of which was paid during the three month period ended June 30, 2018), and staged work commitment of US$80,000 over 4 years in order for the Company to earn 100% of the mineral rights associated with those claims, subject to a 2% Net Smelter Royalty ("NSR"). Additional claims staked around the initial claims optioned fall within an area of mutual interest, and are considered part of the original Option Agreement. Refer to Note 18(b) - "Commitments" for the remaining terms of the agreement.

The Company has the option to acquire one-half, (1%), of the Royalty for the sum of US$500,000 in cash or equivalent value in Common shares of the Company. The Optionor also granted the Company the right, upon written notice, to acquire the remaining half, (1%), of the Royalty for the sum of US$1,000,000 in cash or equivalent value in Common Shares of the Company, thereby extinguishing the Royalty of the Optionor.

On July 20, 2017, the Company entered into an Assignment and Novation Agreement, with Jadex (the Company's wholly-owned subsidiary). Jadex agreed that it shall be bound by, observe and perform the duties and obligations of the Company, for the assigned interests.

A two week Phase 1 reconnaissance program of initial mapping, prospecting and sampling was conducted in the latter part of fiscal 2017. Picket grids were established in the field over the first two target areas (Lode 1 and Lode 2) to situate and plot geological observations and sample site locations. Subsequent to its phase 1 reconnaissance program, the Company moved forward to complete an initial phase of mechanized jade sampling on both the previously identified Jade lodes, as well as hand trenching exposing a new nephrite bearing Jade lode south of Lode 2.

The Company is working to secure the required drilling permits with the local National Forest Service Office for the DJ Jade project in order to conduct initial drill testing of jade lodes already identified at surface.

Wyoming Jade Fields, Wyoming, USA
The Company has acquired, by staking more than 50 Mineral Lode Claims covering in excess of 1,035 acres. The claims cover 4 contiguous blocks in areas where field work found geology favourable for jade formation. This includes abundant nephrite jade float, subcrop and in-situ jade occurrences as well as numerous small-scale historical production pits. All of the new ground is on public lands administered by the Bureau of Land Management ("BLM"). None of this historically productive jade-bearing area has been previously evaluated using modern day jade-genesis concepts or exploration technologies. Subsequent to June 30, 2018, Jadex entered into an Option Agreement to acquire a 100% interest in an existing Lode Claim (20.7 acres) with extensive nephrite jade exposed in hand dug pits and small trenches. For more information refer to Note 23 - "Subsequent events" regarding this transaction.

As the Company advances permitting of the DJ project in Washington for drilling, it will simultaneously advance these newly acquired Wyoming properties through continued laboratory testing, analysis and field exploration work. The gross costs and impairments recorded for the Wyoming Jade Fields project at June 30, 2018 are $61,592 and $Nil, respectively (September 30, 2017 - $Nil and $Nil respectively).

(Expressed in Canadian Dollars)

8. Exploration and evaluation assets (continued)

Keithly Mountain, British Columbia
During the three month period ended March 31, 2017, the Company acquired by staking a 2,111 hectare prospective jade property in the Cariboo Goldfields, in central British Columbia called Keithly Mountain. The property consists of a combination of both Lode and Placer claims, is easily accessible through an existing network of logging roads and is located approximately 20 kilometres north of the town of Likely, BC. The gross costs and impairments recorded to the Keithly Mountain property as at June 30, 2018, are $17,854 and $Nil, respectively (September 30, 2017 - $21,892 and $Nil, respectively).

While the geology of the region is widely known to be prospective for commodities such as gold, copper and nickel, the focus of exploration in this instance will be for Nephrite Jade of which there are historical showings and reports in the area. The property covers approximately 6.5 kilometres of strike length along a favourable package of metamorphosed serpentinites and sediments, with significant thrust faulting, all elements which are critical in the formation of Jade.

Tell, Yukon
The Company acquired 100% of the expanded Tell mineral property through staking. The Company holds 235 claims covering slightly in excess of 4,900 hectares located approximately 140 kilometres east of Mayo, Yukon. The data collected during the 2015 short program continues to suggest that mineralization at Tell is sediment hosted and potentially related to an extensive exhalative event within a sedimentary sequence with evidence of minor volcanic components, such as expected within the SEDEX/VMS environment. The 2015 surface data also confirms that mineralization may be related to an extensive metal rich unit within a sequence documented over 3 kilometres of strike length to date. These results are geologically strong and support further exploration if funding can be arranged. The gross costs and impairments recorded to the Tell project at June 30, 2018 are $423,030 and $Nil, respectively (September 30, 2017 - $422,641 and $Nil, respectively).

A summary of exploration and evaluation expenditures by category for the nine month period ended June 30, 2018 and the year ended September 30, 2017 appears below:

Nine month period, June 30, 2018		**Wyoming, USA**	**Washington, USA**	**British Columbia**	**Yukon**
	Total	**Wyoming Jade Fields**	**DJ Jade Project**	**Keithly Mountain**	**Tell**
	$	**$**	**$**	**$**	**$**
Balance at September 30, 2017	**356,539**	-	22,725	17,626	316,188
Geological consulting	**41,548**	21,000	19,298	1,250	-
Geophysical	**24,025**	-	24,025	-	-
Field costs	**4,630**	1,226	3,404	-	-
Travel costs	**19,756**	12,162	6,897	-	697
WCB	**(308)**	-	-	-	(308)
Geochemical analysis	**357**	357	-	-	-
Mining exploration tax credit	**(5,288)**	-	-	(5,288)	-
Balance, June 30, 2018	**441,259**	34,745	76,349	13,588	316,577
Property acquisition costs:					
Balance September 30, 2017	**135,313**	-	24,594	4,266	106,453
Acquisition costs incurred	**46,705**	26,847	19,858	-	-
Balance, June 30, 2018	**182,018**	26,847	44,452	4,266	106,453
Total exploration and evaluation assets June 30, 2018	**623,277**	61,592	120,801	17,854	423,030

(Expressed in Canadian Dollars)

8. Exploration and evaluation assets (continued)

Year ended September 30, 2017		**Washington, USA**	**British Columbia**	**Yukon**
	Total	**DJ Jade Project**	**Keithly Mountain**	**Tell**
	$	**$**	**$**	**$**
Balance at September 30, 2016	**315,990**	-	-	315,990
Geological consulting	**26,895**	14,000	12,520	375
Field costs	**4,026**	210	3,816	-
Travel costs	**9,805**	8,515	1,290	-
WCB	**(177)**	-	-	(177)
Balance, September 30, 2017	**356,539**	22,725	17,626	316,188
Property acquisition costs:				
Balance September 30, 2016	**106,203**	-	-	106,203
Acquisition costs incurred	**29,110**	24,594	4,266	250
Balance, September 30, 2017	**135,313**	24,594	4,266	106,453
Total exploration and evaluation assets September 30, 2017	**491,852**	47,319	21,892	422,641

The Company applied for a British Columbia mining exploration tax credit in the amount of $5,288 for qualified expenditures in 2017 totalling $17,626, related to the Keithly Mountain project.

9. Equipment and software

	Computer equipment and software		
	Cost	**Accumulated Depreciation**	**Net Book Value**
Balance, September 30, 2016	$ **4,555**	**$ (4,466)**	**$ 89**
Additions	2,907	-	2,907
Depreciation	-	(190)	(190)
Balance, September 30, 2017	**7,462**	**(4,656)**	**2,806**
Depreciation	-	(431)	(431)
Balance, June 30, 2018	**$ 7,462**	**$ (5,087)**	**$ 2,375**

10. Accounts payable and accrued liabilities

	June 30, 2018	**September 30, 2017**
Trade payables	**$ 6,456**	**$** 1,852
Due to related parties	**48,190**	6,252
Accrued liabilities	**-**	20,000
Sales taxes payable	**361**	521
	$ 55,007	**$** 28,625

(Expressed in Canadian Dollars)

11. Decommissioning obligation

There were no changes in the decommissioning obligation for the nine month period ended June 30, 2018 and the year ended September 30, 2017.

Nine months ended June 30, 2018:		**Yukon**
		Tell
Balance at September 30, 2017 and June 30, 2018	**$**	**12,750**

Year ended September 30, 2017:		**Yukon**
		Tell
Balance at September 30, 2016 and September 30, 2017	**$**	**12,750**

The above noted obligation represents costs to restore the mineral exploration properties, including the costs of filling trenches and revegetation if applicable. Management believes that there are no other significant legal obligations as at the respective period ends for current and future decommissioning obligations and restoration costs. The June 30, 2018 period end present value of the decommissioning obligation was determined using a risk-free rate of 1.91% (September 30, 2017 - 1.52%) and an inflation rate of 2.45% (September 30, 2017 - 1.5%). The Company will not incur these costs until it gives up its legal right to explore the property or the current land use permits expire (between October 2019 and May 2022), at which time the reclamation must be completed. No accretion expense has been recorded in both the current and comparative periods because the amount is considered to be immaterial.

12. Share capital, stock options and warrants

a) Authorized

Unlimited number of voting common shares without par value
Unlimited number of Class A preferred shares issuable in series
Unlimited number of Class B preferred shares issuable in series

b) Issued and outstanding common share capital

	Shares Number	**Value $**
Balance, as at September 30, 2017	**31,846,892**	**12,619,161**
Private placement - December 28, 2017	787,500	157,500
Value of warrants included in private placement	-	(80,004)
Share issuance costs	-	(5,651)
Private placement - January 11, 2018	212,500	42,500
Value of warrants included in private placement	-	(29,152)
Share issuance costs	-	(2,862)
Options exercised - April 18, 2018	230,000	40,480
Warrants exercised - June 4, 2018	100,000	13,696
Balance, as at June 30, 2018	**33,176,892**	**12,755,668**

(Expressed in Canadian Dollars)

12. Share capital, stock options and warrants (continued)

b) Issued and outstanding common share capital (continued)

	Shares Number	Value $
Balance, as at September 30, 2016	**24,246,892**	**12,404,263**
Private placement - March 24, 2017	7,000,000	350,000
Value of warrants included in private placement	-	(129,354)
Share issuance costs	-	(18,671)
Private placement - April 17, 2017	600,000	30,000
Value of warrants included in private placement	-	(13,941)
Share issuance costs	-	(3,136)
Balance, as at September 30, 2017	**31,846,892**	**12,619,161**

During the three month period ended June 30, 2018, 230,000 stock options exercisable at $0.10 per share, expiring July 10, 2019 were exercised, for total proceeds of $23,000. As well, 100,000 warrants exercisable at $0.10 per share, expiring March 24, 2019 were exercised for total proceeds of $10,000.

On December 28, 2017, the Company closed the first tranche private placement share and warrant issue for 787,500 common units at $0.20 per unit comprised of 787,500 common shares and 393,750 common share purchase warrants for gross aggregate proceeds of $157,500. Each common unit was comprised of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.30 per share until December 28, 2019. In valuing the warrants, the Company applied a proration of proceeds method to the components incorporating the Black-Scholes Pricing model assuming a volatility of 229.92%, a risk free rate of 1.69%, a two year warrant life, and a 0% dividend rate.

On January 11, 2018, the company closed the second tranche private placement and warrant issue for 212,500 common units at $0.20 per unit comprised of 212,500 common shares and 106,250 common share purchase warrants for gross aggregate proceeds of $42,500. Each common unit was comprised of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.30 per share until January 11, 2020. In valuing the warrants, the Company applied a proration of proceeds method to the components incorporating the Black-Scholes Pricing model assuming a volatility of 230.56%, a risk free rate of 1.76%, a two year warrant life, and a 0% dividend rate.

On March 24, 2017, the Company partially closed a non-brokered private placement share and warrant issue for aggregate gross proceeds of $350,000. The placement was comprised of 7,000,000 common units at $0.05 per unit. Each common unit was comprised of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.10 per share until March 24, 2019. In valuing the warrants, the Company applied a proration of proceeds method to the components incorporating the Black-Scholes Pricing model assuming a volatility of 277.90%, a risk free rate of 0.74%, a two year warrant life, and a 0% dividend rate.

On April 17, 2017, the Company closed a private placement share and warrant issue for an additional 600,000 common units at $0.05 per unit comprised of 600,000 common shares and 300,000 common share purchase warrants for gross aggregate proceeds of $30,000. Each common unit was comprised of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.10 per share until April 17, 2019. In valuing the warrants, the Company applied a proration of proceeds method to the components incorporating the Black-Scholes Pricing model assuming a volatility of 276.15%, a risk free rate of 0.73%, a two year warrant life, and a 0% dividend rate.

(Expressed in Canadian Dollars)

12. Share capital, stock options and warrants (continued)

c) Stock options outstanding

	Number of shares		Exercise
Expiry	**Jun 30, 2018**	**Sept 30, 2017**	**Price**
July 10, 2019	665,000	895,000	$0.10
July 13, 2019	130,000	130,000	$0.10
October 19, 2022	125,000	-	$0.14
January 15, 2021	795,000	-	$0.36
February 21, 2022	150,000	-	$0.38
March 13, 2021	280,000	-	$0.34
	2,145,000	1,025,000	

d) Stock option transactions

Balance, September 30, 2017	1,025,000	$0.10
Issued October 20, 2017	125,000	$0.14
Issued January 16, 2018	795,000	$0.36
Issued February 22, 2018	150,000	$0.38
Issued March 14, 2018	280,000	$0.34
Exercised April 18, 2018	(230,000)	$0.10
Balance, June 30, 2018	**2,145,000**	**$0.25**

Refer to Note 15 - "Share-based payment transactions" for more information regarding the options issued during the three and nine month periods ended June 30, 2018.

Subsequent to June 30, 2018 and prior to the date of these financial statements no options were issued and none expired nor were exercised.

The Company has an option plan (the Plan), under which up to 10% of the issued and outstanding common shares are reserved for issuance. Under the Plan, the options that have been granted expire at the earlier of five years from the grant date, the date at which the Directors determine, or 60 days from the date on which the optionee ceases to be a director, officer, employee or consultant. The exercise price of the options granted under the Plan will not be less than that from time to time permitted under the rules of the TSX Venture Exchange or other exchanges on which the shares are then listed, which price reflects trading values at that time.

Options granted vest immediately to optionees; however, vesting limitations may be imposed at the discretion of the Board of Directors. All of the options outstanding at the respective period ends have vested.

(Expressed in Canadian Dollars)

12. Share capital, stock options and warrants (continued)

e) Warrant transactions and warrants outstanding

The warrants summarized below may be exercised to acquire an equal number of common shares.

Nine months ended June 30, 2018						
Exercise Price	**Expiry**	**Balance Sept 30, 2017**	**Warrants Issued**	**Warrants Exercised**	**Warrants Expired**	**Balance June 30, 2018**
$0.50	November 1, 2017	500,000	-	-	500,000	-
$0.10	March 24, 2019	3,500,000	-	100,000	-	3,400,000
$0.10	April 17, 2019	300,000	-	-	-	300,000
$0.30	December 28, 2019	-	393,750	-	-	393,750
$0.30	January 11, 2020	-	106,250	-	-	106,250
	Total	**4,300,000**	**500,000**	**100,000**	**500,000**	**4,200,000**

Year ended September 30, 2017					
Exercise Price	**Expiry**	**Balance Sept 30, 2016**	**Warrants Issued**	**Warrants Expired**	**Balance Sept 30, 2017**
$0.50	November 1, 2017	500,000	-	-	500,000
$0.10	March 24, 2019	-	3,500,000	-	3,500,000
$0.10	April 17, 2019	-	300,000	-	300,000
	Total	**500,000**	**3,800,000**	**-**	**4,300,000**

Subsequent to June 30, 2018 and prior to the approval date of these financial statements, 450,000 warrants exercisable at $0.10 per share, expiring March 24, 2019, were exercised for total proceeds of $45,000. There were no further changes to warrants.

13. Financial instruments

Financial instruments recorded at fair value are classified using a fair value hierarchy that prioritizes the inputs to fair value measurements. The three levels of fair value are summarized below:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for assets or liabilities either directly, (i.e. prices), or indirectly, (i.e. derived from prices); and
- Level 3 - Inputs that are not based on observable market data.

Level 1 has been utilized to value common shares included in short-term investments

(Expressed in Canadian Dollars)

13. Financial instruments (continued)

The following summarizes the categories of the various financial instruments:

		June 30, 2018		September 30, 2017
		Carrying Value		
Financial assets measured at amortized cost:				
Cash	$	**80,541**	$	204,953
Accounts receivable		**7,571**		1,071
	$	**88,112**	$	206,024
Financial assets measured at fair value:				
Short-term investments		**-**		1
Financial liabilities measured at amortized cost:				
Accounts payable and accrued liabilities	$	**54,646**	$	28,104

The above noted financial instruments are exclusive of any sales tax.

The carrying value of financial assets and liabilities measured at amortized cost approximates fair value due to the short-term nature of the instruments.

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The Company had nominal foreign currency-denominated fund balances. Consequently, variations in exchange rates will not result in material foreign exchange gains or losses at this point in time.

14. General and administrative

		Three months ended				Nine months ended		
		June 30, 2018		June 30, 2017		June 30, 2018		June 30, 2017
Administrative consulting fees	**$**	**22,474**	$	4,143	**$**	**61,399**	$	14,855
Occupancy costs		**11,964**		9,271		**30,433**		33,462
Office, secretarial and supplies		**15,809**		6,177		**42,668**		10,002
Travel and promotion		**11,311**		5,586		**36,920**		7,297
Insurance		**3,008**		2,370		**9,023**		7,109
Computer network and website maintenance		**8,181**		277		**8,762**		869
Stock-based compensation		**-**		-		**447,200**		-
Salaries and benefits		**2,277**		-		**2,277**		-
Miscellaneous		**3,706**		707		**5,532**		2,739
		78,730		28,531		**644,214**		76,333

15. Share-based payment transactions

On October 20, 2017 the Company granted 125,000 options that may be exercised at $0.14 per share to October 19, 2022. The options were valued at $17,500 incorporating the Black-Scholes Option Pricing model assuming a 5 year term, volatility of 283.07%. a risk-free discount rate of 1.70% and a dividend rate of 0%.

On January 16, 2018, the Company granted 795,000 options that may be exercised at $0.36 per share to January 15, 2021. The options were valued at $277,200 incorporating the Black-Scholes Option Pricing model assuming a 3 year term, volatility of 247.25%, a risk free discount rate of 1.83% and a dividend rate of 0%.

(Expressed in Canadian Dollars)

15. Share-based payment transactions (continued)

On February 22, 2018, the Company granted 150,000 options that may be exercised at $0.38 per share to February 21, 2022. The options were valued at $57,000 incorporating the Black-Scholes Option Pricing model assuming a 4 year term, volatility of 305.43%, a risk free discount rate of 2.09% and a dividend rate of 0%.

On March 14, 2018, the Company granted 280,000 options that may be exercised at $0.34 per share to March 31, 2021. The options were valued at $95,500 incorporating the Black-Scholes Option Pricing model assuming a 3 year term, volatility of 294.09%, a risk free discount rate of 1.88% and a dividend rate of 0%.

There were no share-based payment transactions during the year ended September 30, 2017.

16. Loss per share

The following adjustments were made in arriving at diluted weighted average number of common shares for the nine months ended June 30:

	Three months ended		Nine months ended	
	Jun 30, 2018	**Jun 30, 2017**	**Jun 30, 2018**	**Jun 30, 2017**
Weighted average number of common shares	**33,063,595**	31,741,397	**32,585,885**	29,052,753
Effect of dilutive securities:				
Stock options	**-**	-	**-**	-
Warrants	**-**	-	**-**	-
Diluted	**33,063,595**	31,741,397	**32,585,885**	29,052,753
Loss per share				
Basic and diluted	**$ 0.00**	$ 0.00	**$ (0.02)**	$ 0.00

The dilutive effect of stock options and warrants was calculated using the treasury stock method. This method calculated the number of incremental shares by assuming the outstanding in-the-money stock options and warrants are exercised, and then reduced by the number of shares assumed to be repurchased from the issuance proceeds, using the average market price of the Company's common shares for the period. As the Company experienced losses for the three and nine month periods ended June 30, 2018 and 2017, no dilution resulted.

17. Related party balances and transactions and key management remuneration

The Company is considered a related party to CANEX Metals Inc. ("CANEX") because of its common directors, officers and key management personnel that have some direct financial interest in both the Company and CANEX. In addition, related parties include members of the Board of Directors, officers and their close family members. 635280 Alberta Ltd., a company controlled by Jean-Pierre Jutras, a director of Jade Leader, Lunacees Enterprises Ltd., a company controlled by Cornell McDowell, a director of Jade Leader and Vector Resources Inc., a company controlled by Shane Ebert, a director of Jade Leader, are also considered related parties.

(Expressed in Canadian Dollars)

17. Related party balances and transactions and key management remuneration (continued)

The following amounts were charged to (by) related parties during the year:

		Three months ended June 30,		Nine months ended June 30,	
		2018	**2017**	**2018**	**2017**
		$	**$**	**$**	**$**
Key management remuneration:	Note				
President and director	a)	**(34,969)**	(12,437)	**(67,532)**	(19,563)
Corporate secretary	b)	**(12,173)**	(7,279)	**(34,481)**	(8,899)
Chief financial officer	c)	**(1,500)**	-	**(1,500)**	-
Total management remuneration		**(48,642)**	(19,716)	**(103,513)**	(28,462)

Management compensation payable to "key management personnel" during the period ended June 30, 2018 and 2017 is reflected in the table above and consists of consulting fees paid or payable to 635280 Alberta Ltd., a company controlled by Jean-Pierre Jutras, as well as to the Corporate Secretary and the Chief Financial Officer. Directors are not paid directors' fees. Officers and directors are compensated through the granting of options from time-to-time. Refer to Note 15 - "Share-based payment transactions" for detail relating to options issued during three and nine month periods ended June 30, 2018. There were no options granted to officers and directors during the nine month period ended June 30, 2017. Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company

		Three months ended June 30,		Nine months ended June 30,	
		2018	**2017**	**2018**	**2017**
Other related party transactions:		**$**	**$**	**$**	**$**
CANEX Metals Inc. ("CANEX")					
Sublease revenue	d)	**4,632**	5,599	**13,830**	17,627
General and administrative and secretarial costs paid	d)	**(624)**	(420)	**(2,639)**	(1,785)
General and administrative and secretarial costs received	d)	**2,123**	498	**4,535**	2,989
Lunacees Enterprises Ltd.					
Geological consulting services	e)	**(4,500)**	-	**(9,000)**	-
Vector Resources Inc.					
Geological consulting services	f)	**-**	(4,375)	**(1,250)**	(4,375)

(Expressed in Canadian Dollars)

17. Related party balances and transactions and key management remuneration (continued)

The following amounts were due to or receivable from related parties at the respective period ends:

	Note		June 30, 2018		September 30, 2017
Balances receivable (owing)					
Office rent and operating costs					
CANEX Metals Inc.	d)	**$**	**4,863**	$	-
General and administrative and secretarial costs					
CANEX Metals Inc.	d)	**$**	**2,229**	$	887
CANEX Metals Inc.	d)	**$**	**(655)**	$	(435)
Jean-Pierre Jutras	a)	**$**	**(6,103)**		-
Corporate secretary	b)	**$**	**(4,231)**	$	(2,482)
Chief financial officer	c)	**$**	**(504)**	$	-
Geological consulting services					
635280 Alberta Ltd.	a)	**$**	**(34,969)**	$	(3,150)
Vector Resources Inc.	f)	**$**	**(1,250)**	$	-

a) Consulting fees for the President's services were billed by 635280 Alberta Ltd., a company controlled by Jean-Pierre Jutras. Consulting services that relate directly to mineral property exploration are capitalized to exploration and evaluation assets; the remainder is expensed. During the nine month period ended June 30, 2018, $21,500 (2017 - $6,750) was capitalized to exploration and evaluation assets, $46,032 (2017 - $8,625) was expensed through general and administrative expenses, and $Nil (2017 - $4,188) was expensed through pre-acquisition costs. Due to the Company's working capital situation at the present time, the President has indicated that he will not seek payment for outstanding geological consulting fees of approximately $35,000 until the Company has successfully completed a financing.

b) The Corporate Secretary provides services to the Company on a contract basis.

c) The Chief Financial Officer provides services to the Company on a contract basis.

d) During the nine month periods ending June 30, 2018 and 2017, the Company incurred certain administrative expenses on CANEX's behalf that were subsequently billed to CANEX on a quarterly basis. Further, CANEX incurred certain administrative costs on behalf of the Company that were billed on a quarterly basis. Since January 2015, the Company has subleased office space to CANEX. The Company renewed its sublease with CANEX on May 1, 2018, terminating April 30, 2020. CANEX and the Company share two common officers and two common directors.

e) During the nine month period ended June 30, 2018, geological consulting services were provided by Lunacees Enterprise Ltd.

f) During the nine months ended June 30, 2018, geological consulting services were provided by Vector Resources Inc.

Amounts receivable pertain to billings plus applicable sales taxes for which payment has not been received and amounts payable reflect billings plus applicable sales taxes that were not yet paid by the Company at the respective period ends. Related party transactions were measured at the amounts agreed to by the transacting parties.

(Expressed in Canadian Dollars)

18. Commitments

a) On May 1, 2018, the Company entered into a new leasing arrangement for office space. Pursuant to the agreement, the Company is committed to pay base lease costs plus additional rent, which includes its proportionate share of costs incurred in the operation, maintenance, management and supervision of the property as defined by the landlord's current lease for the premises. Additionally, Jade Leader entered into a sublease agreement with CANEX Metals terminating April 30, 2020 (see Note 17 - "Related party balances and transactions and key management remuneration").

As at June 30, 2018, the committed lease costs to the termination of the lease are as follows:

	July 1 to September 30, 2018	**October 1, 2018 to September 30, 2019**	**October 1, 2019 to April 30, 2020**
	$	**$**	**$**
Base lease cost	4,854	20,150	12,355
Expected additional rents	8,591	34,364	20,045
Total expected lease commitment	13,445	54,514	32,400
Expected sublease revenue	(4,697)	(18,789)	(10,960)
Net future rent	8,748	35,725	21,440

b) Pursuant to the option agreement for the acquisition of the DJ Jade project, in Washington State, the Company is committed to the following payments and minimum exploration expenditures:

Due date	Option Payments US$	Exploration Expenditures US$
May 25, 2019	15,000	20,000
May 25, 2020	20,000	20,000
May 25, 2021	30,000	30,000
Total	65,000	70,000

19. Supplemental disclosure statement of cash flows

	Three months ended June 30		**Nine months ended June 30**	
	2018	**2017**	**2018**	**2017**
Sublease revenue	**$ 4,632**	$ 4,686	**$ 13,830**	$ 16,701
Changes in assets and liabilities pertaining to sublease revenue:				
Accounts receivable	**(4,863)**	-	**(4,863)**	-
Sublease deposit	**-**	913	**-**	913
Cash received for sublease revenue	**$ (231)**	$ 5,599	**$ 8,967**	$ 17,614

(Expressed in Canadian Dollars)

19. Supplemental disclosure statement of cash flows (continued)

	Three months ended June 30				Nine months ended June 30			
		2018		**2017**		**2018**		**2017**
Operating expenses	**$**	**(84,915)**	$	(37,503)	**$**	**(695,567)**	$	(95,409)
Depreciation		**144**		11		**431**		33
Stock-based compensation		**-**		-		**447,200**		-
Changes in assets and liabilities pertaining to operations:								
Accounts receivable		**7,043**		(6,471)		**(2,011)**		(886)
Prepaid expenses		**(987)**		(5,905)		**2,128**		(564)
Accounts payable and accrued liabilities		**17,634**		5,366		**7,902**		(1)
Cash paid to suppliers and contractors	**$**	**(61,081)**	$	(44,502)	**$**	**(239,917)**	$	(96,827)

	Three months ended June 30				Nine months ended June 30			
		2018		**2017**		**2018**		**2017**
Exploration and evaluation asset additions	**$**	**(82,147)**	$	(17,385)	**$**	**(131,425)**	$	(22,250)
Changes in assets and liabilities pertaining to exploration and evaluation asset additions:								
Mining exploration tax credit receivable		**-**		-		**(5,288)**		-
Accounts payable and accrued liabilities		**18,480**		-		**18,480**		-
Cash expended on exploration and evaluation asset additions	**$**	**(63,667)**	$	(17,385)	**$**	**(118,233)**	$	(22,250)

20. Segment disclosures

During the current period ended June 30, 2018 and the comparative period ended June 30, 2017 as well as during the year ended September 30, 2017, the Company was only engaged in mineral exploration and all exploration activities were undertaken in Canada and/or the United States. Activities undertaken in both countries were similar in nature. The non-current assets associated with United States operations are comprised of the exploration and evaluation assets located in Washington State, the DJ Jade project and Wyoming, Wyoming Jade Fields. Refer to Note 8 for details of the carrying amounts of these assets at the respective period ends. All remaining assets are associated with Canadian operations.

21. Capital

The Company's objective when managing capital is to continue as a going concern so that it can provide value to shareholders by acquiring and conducting exploration on mineral exploration properties with the ultimate objective of finding commercial quantities of base and/or precious metals and minerals. Refer to Note 1 "Nature of operations and going concern". Capital is defined as share capital, reserves and deficit. The Company has traditionally financed through equity issues rather than debt and does not anticipate using debt to finance its continuing grass roots exploration. Should the Company evolve to the point where it is developing or operating a mine, debt options will be investigated.

The Company will raise equity as cash flow requirements dictate and will attempt, when able, to time financings with more favorable market conditions. The Company can scale back exploration, and to a certain extent, discretionary administrative costs during tighter equity markets. The Company invests

21. Capital (continued)

surplus capital in short-term, liquid and highly-rated financial instruments such as Bankers' Acceptances and Term Deposits.

The externally imposed capital requirement that the Company may be exposed to from time to time, relates to flow-through shares. Pursuant to flow-through agreements entered into with flow-through share subscribers, the Company must commit to use the full proceeds of these issuances to incur qualifying mineral exploration expenditures within a prescribed time frame. Should the company not incur these expenditures, they are required to pay the flow-through subscribers an amount equal to the tax payable by the subscriber as a result of the Company's failure to incur the expenditures. At June 30, 2018 and September 30, 2017, there were no qualifying expenditures required pursuant to flow-through agreements, consequently there was no restricted cash at June 30, 2018 and September 30, 2017.

22. Financial risk management

a) Credit risk
Credit risk is the risk of financial loss to the Company if counterparties to a financial instrument fail to meet their contractual obligations. The Company's financial instruments that could be subject to credit risk consist of accounts receivable, (excluding sales tax). The Company has had a history of prompt receipt of their receivables and considers credit risk to be low on these instruments as at June 30, 2018 and September 30, 2017. The Company's cash at bank is currently held with one financial institution.

b) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company's approach to managing liquidity risk is the utilization of budgets, to attempt to maintain sufficient liquidity in order to meet operational and exploration requirements as well as property acquisition commitments. The Company raises capital through equity issues and its ability to do so is dependent on a number of factors including market acceptance, stock price and exploration results. The Company is continually investigating financing options. The continuing operations of the Company are dependent upon its ability to continue to obtain adequate financing or to commence profitable operations in the future. The Company believes that it has sufficient working capital to meet its funding requirements for administrative and operating costs through fiscal 2018. However, administrative and operating costs and property acquisition commitments for 2019 and beyond, an increase in activity levels and new property acquisitions and/or an expanded exploration program will require additional financing. There can be no assurance that the Company will be successful in obtaining financing. Refer to - "Nature of operations and going concern".

c) Market risk
The Company's equity investments are subject to market price risk. These investments were received for the sale of mineral properties. The Company does not invest excess cash in equity investments as a general rule. Investment in common shares is recorded at fair value at the respective period ends with the resultant gains or losses recorded in earnings. The price or value of these investments can vary from period to period. The Company has written-off its investments (refer to Note 7 - "Short-term investments" for further information).

d) Interest rate risk
The Company has no debt facilities and has minimal interest income. Consequently the Company is not exposed to significant interest rate risk at this time.

22. Financial risk management (continued)

e) Foreign exchange risk
The Company undertakes transactions denominated in US currency; consequently it is exposed to exchange rate fluctuations. In fiscal 2018, a 10% increase or decrease in the US foreign exchange rate would result in an increase or decrease in committed option payments and exploration expenditures of $8,560 and $9,220 CDN, respectively as they pertain to the DJ Jade Project acquisition (refer to Note 18(b) "Commitments").

23. Subsequent events

On July 15, 2018, Jadex signed an Option Agreement for a 100% interest in an existing Lode Claim (20.7 acres) in Wyoming, United States. To acquire a 100% interest, subject to a 2% Net Smelter Return royalty ("NSR"), Jadex must make the following payments in US dollars:

Due date	Option Payments US$	Exploration Expenditures US$
July 15, 2018	8,000*	-
July 15, 2019	12,000	10,000
July 15, 2020	15,000	50,000
Total	35,000	60,000

*The first option payment was made on July 15, 2018.

The Company has the option, upon written notice, to acquire one half, (1%), of the NSR for US$20,000 in cash. The Optionor also granted the Company the right, upon written notice, to acquire the remaining half, (1%), of the NSR for US$30,000 in cash, thereby extinguishing the NSR of the Optionor.

Subsequent to June 30, 2018, 450,000 warrants, exercisable at $0.10 per share to March 24, 2019, were exercised for gross proceeds of $45,000.

The following management discussion and analysis (MD&A) is management's assessment of the results and financial condition of Jade Leader Corp. ("Jade Leader" or "the Company") (formerly Manson Creek Resources Ltd.). The information included in this MD&A, with an effective date of August 27 2018 should be read in conjunction with the unaudited condensed interim consolidated financial statements as at and for the three and nine months ended June 30, 2018 ("Q3 2018") and related notes thereto as well as the annual audited consolidated financial statements for the year ended September 30, 2017 and related notes thereto. Effective at the opening of trading on March 21, 2018, the common shares of Jade Leader commenced trading on the TSX Venture Exchange under the symbol "JADE" and the common shares of Manson Creek Resources Ltd. were delisted. The Company's most recent filings are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed at www.sedar.com.

The Company's unaudited condensed interim consolidated financial statements for the three and nine months ended June 30, 2018 have been prepared in accordance with IAS 34 "Interim Financial Reporting" and the IFRS accounting policies the Company adopted in its initial IFRS Annual Financial Statements as at and for the year ended September 30, 2017. The Company's accounting policies are provided in Note 3 "Summary of significant accounting policies" to the annual consolidated financial statements as at September 30, 2017.

The "Independent Qualified Person under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") for Jade Leader's exploration projects in the following discussion and analysis is Mr. Jean-Pierre Jutras, B. Sc., Geol., P. Geol., a Registered Professional Geologist of Alberta and the President and Director of Jade Leader.

Statements and/or financial forecasts that are unaudited and not historical, including without limitation, exploration budgets, data regarding potential mineralization, exploration results and future plans and objectives, are to be regarded as forward-looking statements that are subject to risks and uncertainties that can cause actual results to differ materially from those anticipated. Such risks and uncertainties include risks related to the Company's business including, but not limited to: general market and economic conditions, continued industry and public acceptance, regulatory compliance, potential liability claims, additional capital requirements and uncertainty of obtaining additional financing and dependence on key personnel. Actual exploration and administrative expenditures can differ from budget due to unforeseen circumstances, changes in the market place that will cause suppliers' prices to change, and additional findings that will dictate that the exploration plan be altered to result in more or less work than was originally planned.

All forward-looking information is stated as of the effective date of this document, and is subject to change after this date. There can be no assurance that forward-looking information will prove to be accurate and future events and actual results could differ materially from those anticipated.

1) Principal Business of the Company

The Company is engaged exclusively in the business of mineral exploration and development and, as the Company has no mining operations, is considered to be in the exploration stage. The Company's philosophy is to acquire projects at the grass roots level and advance them to a point where partners can be brought in to further the properties to the stage where a mine is commercially feasible or the property can be sold outright.

The recoverability of the amounts comprising mineral properties is dependent upon the existence of economically recoverable mineral reserves; the acquisition and maintenance of appropriate permits, licenses and rights; the ability of the Company to obtain financing to complete the development of the properties where necessary and upon future profitable production; or, alternatively, upon the Company's ability to recover its costs through a disposition of its interests. The Company has no operating income and no earnings; exploration and operating activities are financed by the sale of common shares and warrants. None of the Company's properties are in production. Consequently, the Company's net income is a limiting indicator of its performance and potential.

2) Highlights - Three and nine months ended June 30, 2018

a) During the nine month period ended June 30, 2018, and subsequent to its phase 1 reconnaissance program on the DJ Jade project in Washington State, USA, the Company moved forward to complete an initial phase of mechanized jade sampling on both the previously identified Jade lodes, as well as hand trenching that exposed a new nephrite bearing Jade lode south of Lode 2. (See News Release 17-7, dated October 2017, for more information).

b) On October 23, 2017, the Company announced that it had appointed Dr. Peter Megaw as Technical Advisor to the Company as it moves forward with its Jade exploration focus. Mr. Megaw was granted stock options which may be exercised to acquire up to 125,000 common shares, at a price of $0.14 per share until October 19, 2022. Refer to News Release 17-8 dated October 23, 2017 and Note 12 - "Share capital, stock options and warrants" to the Condensed Unaudited Interim Consolidated Financial Statements which accompany this document for more information.

c) During the three month period ended December 31, 2017, two of the Company's executives travelled to the 2017 Zi Gang Cup Jade and Stone Works Exhibition, held in Suzhou, Jiangsu province, China. The purpose of the travel was to present an initial suite of some of the DJ Jade project's samples, consult with some of the world's most recognized Jade carvers, including both Chinese and international artists, and conduct market research to evaluate current market trends including rough and final product prices.

d) On December 28, 2017, the Company closed the first tranche of a private placement financing which was comprised of 787,500 Units at $0.20 per unit. Each unit was comprised of one common share and one half of a common share purchase warrant. 787,500 shares and 393,750 warrants were issued for gross aggregate proceeds of $157,500. For more information refer to Note 12 - "Share capital, stock options and warrants" to the Condensed Unaudited Interim Consolidated Financial Statements which accompany this document and section 6) "Financing" of this document.

e) On January 11, 2018, the Company closed the second tranche of the private placement financing which consisted of 212,500 Units at $0.20 per unit. Each unit was comprised of one common share and one half of a common share purchase warrant. 212,500 shares and 106,250 warrants were issued for gross aggregate proceeds of $42,500. For more information refer to Note 12 - "Share capital, stock options and warrants" to the Condensed Unaudited Interim Consolidated Financial Statements which accompany this document and section 6) "Financing" of this document.

f) On January 16, 2018, the Company issued stock options to its Directors, Officers and Consultants which may be exercised to acquire up to 795,000 common shares at an exercise price of $0.36 per share until January 15, 2021. Refer to News Release 18-02 dated January 16, 2018 and Note 12 - "Share capital, stock options and warrants" to the Condensed Unaudited Interim Consolidated Financial Statements which accompany this document and section 6) "Financing" of this document.

g) On February 22, 2018, the Company appointed Dr. Robert Lavinsky of the Arkenstone as an advisor to the Company. Dr. Lavinsky has been granted stock options which may be exercised to acquire up to 150,000 common shares, at a price of $0.38 per share until February 21, 2022. Refer to News Release 18-03 dated February 22, 2018 and Note 12 "Share capital, stock options and warrants to the Condensed Unaudited Interim Consolidated Financial Statements which accompany this document for more information.

h) On March 14, 2018, the Company announced the results of the Annual General and Special Meeting. Highlights include the election of Dr. Peter Megaw to the Board of Directors. Dr. Megaw was serving as a Technical Advisor to the Company. As well, Ms. Shari Difley, CPA, CA, B. Comm. was appointed as the Chief Financial Officer to the Company. Dr. Megaw and Ms. Difley were issued stock options which may be exercised to acquire up to 280,000 common shares at $0.34 per share until March 13, 2021. Refer to News Release 18-04 dated March 14, 2018 and Note 12 "Share capital, stock options and warrants" to the Condensed Unaudited Interim Consolidated Financial Statements which accompany this document.

i) On March 21, 2018, the Company completed its name change from Manson Creek Resources Ltd. to Jade Leader Corp. Effective the opening of trading on March 21, 2018, the Company's shares began trading under the name Jade Leader Corp, using the trading symbol "JADE" and the common shares of Manson were delisted.

j) During the three month period ended June 30, 2018, the Corporation participated at the largest relevant gem and minerals exhibition in China, the government-sponsored China International Mineral and Gem Show (one of the largest of its kind in the world) held May 18 to 23 in Chenzhou. Hosted by the

Chinese Government near the Hunan capital of Changsha, this is the single largest educational/sale exhibition and conference for the geological sciences and lapidary arts in Asia. Jade Leader exhibited a case of carved Jade items from the DJ project, which allowed it to evaluate Asian market reactions to the various jade types of its lead project thus far, as well as conduct market research and introduce the Company to some of the top jade dealers from around the world.

k) During the three month period ended June 30, 2018, the Company acquired, through Jadex Corporation, the Company's wholly-owned US subsidiary, the Wyoming Jade Fields property, Wyoming, USA, through staking. The property consists of more than 50 Mineral Lode Claims covering in excess of 1,035 acres. In addition, on July 15, 2018, Jadex entered into an option agreement to acquire an additional Lode Claim consisting of 20.7 acres. For additional information refer to section 3) "Mineral Properties, Wyoming Jade Fields, Wyoming, USA" below, Section 21) "Subsequent events" and News Release: 18-09 dated July 16, 2018.

l) The Company is continuing to evaluate potential new properties for staking or acquisition.

3) Mineral Properties

Transactions for Q3 2018 are summarized in Note 8 "Exploration and evaluation assets" to the Unaudited Condensed Interim Consolidated Financial Statements for the nine months ended June 30, 2018 which accompany this MD&A.

DJ Jade Project, Washington State, USA

On August 28, 2017, the Company announced its acquisition of the DJ Jade project, in Washington State, USA, through a combination of Option Agreement and staking. The gross costs and impairments recorded to the DJ Jade project at June 30, 2018 are $120,801 and $Nil, respectively (September 30, 2017 - $47,319 and $Nil, respectively).

The property, consisting of existing and recently filed Lode Claims covers an area of slightly more than 140 hectares, with 3 historical and numerous newly identified nephrite jade occurrences, which have been visited and confirmed by the Company's representative. The portion of the claims under option require a total of US$86,000 in property payments, (US$6,000 of which has been paid for the first year and US $15,000 of which was paid during the three month period ended June 30, 2018), and staged work commitment of US$80,000 over 4 years in order for the Company to earn 100% of the mineral rights associated with those claims, subject to a 2% Net Smelter Royalty ("NSR"). Additional claims staked around the initial claims optioned fall within an area of mutual interest, and are considered part of the original Option Agreement. Refer to Note 18 - "Commitments" of the Unaudited Condensed Interim Consolidated Financial Statements which accompany this document and Section 7) "Commitments" of this document, for the remaining terms of the agreement.

In addition, the Company has the option to purchase one half, (1%), of the NSR for the sum of US$500,000 in cash or equivalent value in Common shares of the Company. The Optionor also granted, the Company the right, upon written notice, to acquire the remaining half, (1%), of the NSR for the sum of US$1,000,000 in cash or equivalent value of Common Shares of the Company, thereby extinguishing the NSR of the Optionor.

On July 20, 2017, the Company entered into an Assignment and Novation Agreement, with Jadex (the Company's wholly-owned subsidiary). Jadex agreed that it shall be bound by, observe and perform the duties and obligations of the Company, for the assigned interests.

A two week Phase 1 reconnaissance program of initial mapping, prospecting and sampling was conducted in the latter part of fiscal 2017. Picket grids were established in the field over the first two target areas (Lode 1 and Lode 2) to situate and plot geological observations and sample site locations. Subsequent to its phase 1 reconnaissance program, the Company moved forward to complete an initial phase of mechanized jade sampling on both the previously identified Jade lodes, as well as hand trenching that exposed a new nephrite bearing Jade lode south of Lode 2. (See News Release 17-7 dated October 16, 2017, for more information).

The Company is working to secure the required drilling permits with the local National Forest Service Office for the DJ Jade project in order to conduct initial drill testing of jade lodes already identified at surface.

Wyoming Jade Fields, Wyoming, USA
The Company has acquired, by staking more than 50 Mineral Lode Claims covering in excess of 1,035 acres. The claims cover 4 contiguous blocks in areas where field work found geology favourable for jade formation. This includes abundant nephrite jade float, subcrop and in-situ jade occurrences as well as numerous small-scale historical production pits. All of the new ground is on public lands administered by the Bureau of Land Management ("BLM"). None of this historically productive jade-bearing area has been previously evaluated using modern day jade-genesis concepts or exploration technologies. Subsequent to June 30, 2018, Jadex entered into an Option Agreement to acquire a 100% interest in and existing Lode Claim (20.7 acres) with extensive nephrite jade exposed in hand dug pits and small trenches. For more information refer to Section 21 - "Subsequent events" regarding this transaction.

As the Company advances permitting of the DJ project in Washington for drilling, it will simultaneously advance these newly acquired Wyoming properties through continued laboratory testing, analysis and field exploration work. The gross costs and impairments recorded for the Wyoming Jade Fields project at June 30, 2018 are $61,592 and $Nil, respectively (September 30, 2017 - $Nil and $Nil respectively).

Keithly Mountain, British Columbia
During the three month period ended March 31, 2017, the Company acquired by staking a 2,111 hectare property in the Cariboo goldfields, in central British Columbia called Keithly Mountain. The property consists of a combination of both Lode and Placer claims, is easily accessible through an existing network of logging roads and is located approximately 20 kilometres north of the town of Likely, BC. The gross costs and impairments recorded to the Keithly Mountain property as at June 30, 2018, are $17,854 and $Nil, respectively (September 30, 2017 - $21,892 and $Nil, respectively).

While the geology of the region is widely known to be prospective for commodities such as gold, copper and nickel, the focus of exploration in this instance will be for Nephrite Jade of which there are historical showings and reports in the area. The property covers approximately 6.5 kilometres of strike length along a favourable package of metamorphosed serpentinites and sediments, with significant thrust faulting, all elements which are critical in the formation of Jade.

The Company will evaluate and interpret all available historic exploration data from the Keithly Mountain Property in order to design an appropriate exploration program.

Tell, Yukon
The Company acquired 100% of the expanded Tell mineral property through staking. The Company holds 235 claims covering slightly in excess of 4,900 hectares located approximately 140 kilometres east of Mayo, Yukon. The data collected during the 2015 short program continues to support that mineralization at Tell is sediment-hosted and potentially related to an extensive exhalative event within a sedimentary sequence with evidence of minor volcanic components, such as expected within the SEDEX/VMS environment. The 2015 surface data also confirms that mineralization may be related to an extensive metal rich unit within a sequence documented over 3 kilometres of strike length to date. These results are geologically strong and support further exploration if funding can be arranged. The gross costs and impairments recorded to the Tell project at June 30, 2018 are $423,030 and $Nil, respectively (September 30, 2017 - $422,641 and $Nil, respectively).

4) Operating Results

A summarized statement of operations appears below to assist in the discussion that follows:

	Three months ended June 30		Nine months ended June 30	
	2018	**2017**	**2018**	**2017**
General and administrative expenses	**$ (78,730)**	$ (28,531)	**$ (644,214)**	$ (76,333)
Reporting to shareholders	**660**	-	**(16,478)**	(1,994)
Professional fees	**(2,121)**	(1,262)	**(18,154)**	(3,207)
Stock exchange and transfer agent fees	**(4,580)**	(1,803)	**(11,368)**	(7,286)
Depreciation	**(144)**	(11)	**(431)**	(33)
Pre-acquisition costs	**-**	(5,896)	**(4,922)**	(6,556)
Sublease revenue	**4,632**	4,686	**13,830**	16,701
Interest and other	**74**	45	**284**	272
Loss from short-term investments	**-**	-	**(1)**	-
Net and comprehensive loss	**$ (80,209)**	$ (32,772)	**$ (681,454)**	$ (78,436)

In general, operational expenditures have increased in the current three and nine month periods and reflect the increase in activity during the recent months. Overall, the results are consistent with the fiscal 2018 operating budget. The most significant results are discussed below.

- Variances relating to general and administrative expenses are addressed below in more detail.
- Reporting to shareholders expenditures have increased significantly. These costs include the dissemination of the annual audited financial statements for the years ended September 30, 2017 and 2016. As well, Q2 2018 and Q3 2018 expenditures include the costs of holding the Annual General Meeting (AGM). There were no AGM expenditures in the comparative periods as the previous AGM was held in fiscal 2016; however, in Q2 2017 the Company received a refund of fees relating to the AGM held in 2016.
- Professional fees, which consist of auditing fees, legal and other filing fees are up significantly in the current nine month period ending June 30, 2018. The current nine month period expenditures include an under accrual of audit fees for the year ended September 30, 2017 of $2,000, legal fees of $4,800 primarily relating to the corporate name change, the AGM and nominal legal fees for corporate filings, fees related to news releases of $7,800 and fees for filing the September 30, 2017 US tax return for Jadex. Professional fees incurred in the comparative periods, relate to the 2016 annual audit, which was conducted during Q2 2017.
- Stock exchange and transfer agent fees relate directly to the number of security exchange transactions during the periods. The increase in the current period reflects higher TSX sustainer fees as well as fees relating to the name change.
- Pre-acquisition expenses in Q2 2018 relate to research conducted in the United States for potential Jade exploration opportunities (refer to Section 3) "Mineral properties, Wyoming Jade Fields, Wyoming, USA", Section 16) "Outlook" and Section 21) "Subsequent events" for additional information).
- Effective April 1, 2017, the Company entered into a new leasing arrangement for its premises, which included subleasing office space to one other corporation, CANEX Metals Inc. ("CANEX") (see Note 17 - "Related party balances and transactions and key management remuneration and" Note 18 - "Commitments" to the Unaudited Condensed Interim Consolidated Financial Statements for the three and nine month periods ended June 30, 2018 which accompany this MD&A) resulting in a reduction in overall occupancy costs and sublease revenue in the current periods. On May 1, 2018, the Company relocated to new premises, acquiring larger office space and entered into a new lease agreement, terminating April 30, 2020. The Company continues to sublease office space to CANEX. For further information relating to obligations for Occupancy costs refer to Section 7) "Commitments".
- During the year ended September 30, 2017, North Sur Resources Inc. shares were transferred from the TSX Venture Exchange to the NEX and on March 28, 2018, the shares were delisted. Jade Leader had

previously written down the value of the shares to $1; the Company recognized a loss of $1 during the three month period ended March 31, 2018 to fully write-off the investment (refer to Note 7 - "Short-term investments" to the Unaudited Condensed Interim Consolidated Financial Statements which accompany this document).

The following summarizes the major expense categories comprising general and administrative expenses for the respective periods:

	Three months ended June 30		Nine months ended June 30	
	2018	**2017**	**2018**	**2017**
Administrative consulting fees	**$ 22,474**	$ 4,143	**$ 61,399**	$ 14,855
Occupancy costs	**11,964**	9,271	**30,433**	33,462
Office, secretarial and supplies	**15,809**	6,177	**42,668**	10,002
Travel and promotion	**11,311**	5,586	**36,920**	7,297
Insurance	**3,008**	2,370	**9,023**	7,109
Computer network and website maintenance	**8,181**	277	**8,762**	869
Stock-based compensation	**-**	-	**447,200**	-
Salaries and benefits	**2,277**	-	**2,277**	-
Miscellaneous	**3,706**	707	**5,532**	2,739
Total	**$ 78,730**	$ 28,531	**$ 644,214**	$ 76,333

- Administrative consulting fees, which consist of fees for the contract controller, CFO and President, are up by approximately $46,500 from the comparative nine month period. The fiscal 2018 fees for the President include services relating to preparing news releases, the private placement financing announced in December 2017, attending meetings and gem-related events in Suzhou, Jiangsu province and Chenzhou, China, Dallas, Texas and Tucson, Arizona for the purpose of researching opportunities and marketing, preparation of marketing materials including preparation of Jade samples for exhibitions and video production, corporate name change and rebranding and website redesign, attending the Association for Mineral Exploration British Columbia ("AMEBC") Roundup in Vancouver, BC, preparation for the AGM, property research and budgeting. During the comparative nine month period there was $8,600 in fees charged by the President which related primarily to the private placement for financing announced in February 2017. The current three month period ended June 30, 2018 includes $1,500 of fees for services provided by the CFO. There were no fees for services provided by the CFO in the comparative periods. Fees for accounting services have increased reflecting the increase in activities during the current periods.
- In the nine month period ended June 30, 2018, occupancy costs are down by approximately $3,000 from the comparative period, resulting from the Company entering into a lease agreement effective April 1, 2017 to March 31, 2018. On May 1, 2018, the Company relocated to new premises, acquiring larger office space and entered into a new lease agreement, terminating April 30, 2020. As a result of the new leasing arrangement, the Company has incurred higher occupancy costs during the three month period ended June 30, 2018. For further information relating to obligations for Occupancy costs refer to Section 7) "Commitments".
- Office and secretarial fees are up by $32,600 during the nine month period ended June 30, 2018 and primarily relate to contract administrative services. The increase is consistent with the increase in activity in the Company in recent months. These expenditures include services provided by the Corporate Secretary for managing the private placement financing announced in December 2017, preparation for the AGM, managing the corporate name change, preparing marketing materials and website redesign, and renegotiating the occupancy lease, which expired on March 31, 2018, and managing the move to new office premises. During the comparative period, administrative services were provided at a reduced level and reflect the company's working capital situation.
- During the three month period ended December 31, 2017, two of the Company's executives travelled to the 2017 Zi Gang Cup Jade and Stone Works Exhibition, held in Suzhou, Jiangsu province, China. The purpose of the travel was to present an initial suite of some of the DJ Jade project's samples, consult with some of the world's most recognized Jade carvers, including both Chinese and international artists, and conduct market research to evaluate current market trends including rough and final

product prices. These expenditures are reflected in Q1 2018 travel and promotion. There were no equivalent expenditures in the comparative period.

- During the three month period ended June 30, 2018, the Corporation participated in the largest relevant gem and minerals exhibition in China, the government-sponsored China International Mineral and Gem Show (one of the largest of its kind in the world) held May 18 to 23 in Chenzhou. Hosted by the Chinese Government near the Hunan capital of Changsha, this is the single largest educational/sale exhibition and conference for the geological sciences and lapidary arts in Asia. Jade Leader exhibited a case of carved Jade items, created from jade samples from the DJ project, which allowed it to evaluate Asian market reactions to the various jade types of its lead project thus far, as well as conduct market research and introduce the Company to some of the top jade dealers from around the world. The costs of attending this show, including the cost of producing the decorative Jade items that were displayed at the show, are included in 2018 Travel and Promotion costs above.
- Other travel and promotion expenditures during the three and nine month periods ended June 30, 2018 include travel to Dallas, Texas to meet with Dr. Robert Lavinsky (a Technical advisor to the Company) regarding various business matters, travel to Tucson, Arizona to attend various gem and mineral shows for the purpose of networking and marketing, and attending the AMEBC Roundup held annually in Vancouver, British Columbia.
- Insurance expenses are up by $1,900 in the nine month period ended June 30, 2018 and reflect a change in insurance coverage related to its US operations, commencing Q4 2017.
- Computer network and website maintenance expenditures increased by $7,900 during the current three and nine month periods ended June 30, 2018 as a result of a website redesign consistent with the Company's rebranding efforts to reflect its shift in focus to Jade exploration. Other expenditures include website hosting fees and internet fees.
- During the nine month period ended June 30, 2018, the Company issued 1,350,000 stock options to its Directors, Officers and Consultants valued at $447,200 (refer to Note 15 - "Share-based payment transactions" to the Unaudited Condensed Interim Consolidated Financial Statements which accompany this document for more information). There were no similar share-based payment transactions in the comparative periods.
- Salaries and benefits expense incurred in Q3 2018 relates to the Company's share of CPP remitted for the exercise of 230,000 options for proceeds of $23,000. See Note 12 - "Share capital, stock options and warrants" to the Condensed Unaudited Interim Consolidated Financial Statements which accompany this document for more information. There were no similar expenses incurred in comparative periods.
- Miscellaneous administrative expenses have increased by $2,800 during the nine month period ended June 30, 2018, which is consistent with the overall increase in operational activity.

5) Liquidity and Capital Resources

As of June 30, 2018, the Company had working capital of $52,085 (September 30, 2017 - $191,933), a decrease of $139,848. Changes to working capital in the current and comparative periods are discussed below:

- Operating activities during the nine month period ended June 30, 2018 resulted in a cash outflow of $231,000 (June 30, 2017 - $79,000). Cash paid to suppliers and contractors is up by $143,000 in the current period from the comparative period due to significantly higher activity as discussed in Section 4) "Operating Results" above.
- The Company expended $118,000 on exploration and evaluation assets during the current nine month period compared to $22,000 in the comparative period. Expenditures in the current period related to the Company's jade properties, primarily in Wyoming and Washington State; (see Section 3) "Mineral properties" and Note 8 - "Exploration and evaluation assets" to the Unaudited Condensed Interim Consolidated Financial Statements which accompany this document, for more information. Expenditures during the comparative period related to the Tell property and the Keithly Mountain property.
- During the nine month period ended June 30, 2018, the Company closed a non-brokered private placement of shares and warrants for net proceeds of $191,487 after cash share issue costs. During the nine month period ended June 30, 2017, the Company closed a non-brokered private placement of

shares and warrants for net proceeds of $358,193 after cash share issue costs. See Section 6) "Financing" below for more information.

- During the three and nine month periods ended June 30, 2018, 230,000 options were exercised for total proceeds of $23,000 and 100,000 warrants were exercised for total proceeds of $10,000. Subsequent to the period ended June 30, 2018 and the date of this report, 450,000 warrants were exercised for total proceeds of $45,000. See Section 7) "Financing" for more information related to these transactions.

The Company will be required to raise additional capital to meet its funding requirements for ongoing administrative and operating costs and to fund ongoing or expanded exploration programs and committed property acquisition costs. There can be no assurance that the Company will be successful in obtaining financing. Consequently, there is a significant doubt regarding the Company's ability to continue as a going concern. These financial statements do not reflect the adjustments that might be necessary to the carrying amount of reported assets, liabilities, revenues and expenses if the Company could not continue as a going concern. Refer to Note 1 - "Nature of operations and going concern" to the Unaudited Condensed Interim Financial Statements which accompany this document.

6) Commitments

a) On May 1, 2018, the Company entered into a new leasing arrangement for office space. Pursuant to the agreement, the Company is committed to pay base lease costs plus additional rent, which includes its proportionate share of costs incurred in the operation, maintenance, management and supervision of the property as defined by the landlord's current lease for the premises. Additionally, Jade Leader entered into sublease agreements with CANEX Metals Inc. terminating April 30, 2020 (see Note 17 - "Related party balances and transactions and key management remuneration" to the Unaudited Condensed Interim Consolidated Financial Statements which accompany this document).

As at June 30, 2018, the committed lease costs to the termination of the lease are as follows:

	July 1 to September 30, 2018	**October 1, 2018 to September 30, 2019**	**October 1, 2019 to April 30, 2020**
	$	**$**	**$**
Base lease cost	4,854	20,150	12,355
Expected additional rents	8,591	34,364	20,045
Total expected lease commitment	13,445	54,514	32,400
Expected sublease revenue	(4,697)	(18,789)	(10,960)
Net future rent	8,748	35,725	21,440

b) Pursuant to the option agreement for the acquisition of the DJ Jade project, in Washington State, the Company is committed to the following remaining payments and minimum exploration expenditures as of June 30, 2018:

	Option Payments	Exploration Expenditures
Due date	US$	US$
May 25, 2019	15,000	20,000
May 25, 2020	20,000	20,000
May 25, 2021	30,000	30,000
Total	65,000	70,000

The committed option payments and exploration expenditures of $65,000 US and $70,000 US would equate to $85,600 CDN and $92,200 CDN respectively using the June 30, 2018 Bank of Canada exchange rate. An increase or decrease of 10% to the exchange rate would result in an increase or decrease in both required option payments and minimum exploration expenditures of $8,560 and $9,220 respectively.

7) Financing

On December 28, 2017, the Company closed the first tranche private placement share and warrant issue for 787,500 units at $0.20 per unit comprised of 787,500 common shares and 393,750 common share purchase warrants for gross aggregate proceeds of $157,500. Each common unit was comprised of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.30 per share until December 28, 2019. In valuing the warrants, the Company applied a proration of proceeds method to the components incorporating the Black-Scholes Pricing model assuming a volatility of 229.92%, a risk free rate of 1.69%, a two year warrant life, and a 0% dividend rate.

On January 11, 2018, the company closed the second tranche private placement and warrant issue for 212,500 units at $0.20 per unit comprised of 212,500 common shares and 106,250 common share purchase warrants for gross aggregate proceeds of $42,500. Each common unit was comprised of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.30 per share until January 11, 2020. In valuing the warrants, the Company applied a proration of proceeds method to the components incorporating the Black-Scholes Pricing model assuming a volatility of 230.56%, a risk free rate of 1.76%, a two year warrant life, and a 0% dividend rate.

During the three month period ended June 30, 2018, 230,000 stock options exercisable at $0.10 per share, expiring July 10, 2019 were exercised at $0.10 per share, for total proceeds of $23,000 and 100,000 warrants exercisable at $0.10 per share, expiring March 24, 2019, were exercised for total proceeds of $10,000.

During the three month period ended March 31, 2017, the Company partially closed a non-brokered private placement share and warrant issue for aggregate gross proceeds of $350,000. The placement consisted of 7,000,000 common units at $0.05 per unit. Each common unit was comprised of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.10 per share until March 24, 2019. In valuing the warrants, the Company applied a proration of proceeds method to the components incorporating the use of the Black-Scholes Pricing model assuming a volatility of 277.90%, a risk free rate of 0.74%, a two year warrant life, and a 0% dividend rate.

On April 17, 2017, the Company closed the non-brokered private placement share and warrant issue announced February 28, 2017 for 600,000 common units at $0.05 per unit consisting of 600,000 common shares and 300,000 common share purchase warrants for gross aggregate proceeds of $30,000. Each common unit was comprised of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.10 per share until April 17, 2019. In valuing the warrants, the Company applied a proration of proceeds method to the components incorporating the use of the Black-Scholes Pricing model assuming a volatility of 276.15%, a risk free rate of 0.73%, a two year warrant life, and a 0% dividend rate.

8) Exploration Expenditures

Refer to Note 8 "Exploration and evaluation assets" to the Unaudited Condensed Interim Consolidated Financial Statements which accompany this document.

9) Selected Quarterly Financial Information

The following selected financial data has been extracted from the unaudited interim financial statements for the fiscal periods indicated and should be read in conjunction with those unaudited financial statements.

Three months ended:	Jun 30 2018 (Q3 2018)	Mar 31 2018 (Q2 2018)	Dec 31 2017 (Q1 2018)	Sep 30 2017 (Q4 2017)	Jun 30 2017 (Q3 2017)	Mar 31 2017 (Q2 2017)	Dec 31 2016 (Q1 2017)	Sep 30 2016 (Q4 2016)
	$	$	$	$	$	$	$	$
Loss before other items	(84,915)	(524,472)	(86,180)	(60,339)	(37,503)	(32,220)	(25,686)	(42,678)
Sublease revenue	4,632	4,501	4,697	4,708	4,686	6,000	6,014	6,013
Interest and other income	74	142	68	76	45	81	147	115
Loss from investments held for sale	-	(1)	-	-	-	-	-	(1,999)
Net and comprehensive loss	(80,209)	(519,830)	(81,415)	(55,555)	(32,772)	(26,139)	(19,525)	(38,549)
Basic and diluted loss per share	0.00	(0.02)	0.00	0.00	0.00	0.00	0.00	0.00

Quarterly net losses are influenced by many factors from period to period and are significantly affected by the amount of activity in the junior mining sector, the Company's working capital position, the potential exploration opportunities as well as timing of certain expenditures including the timing of the AGM, held in Q3 2016 and Q2 2018, and audit expenditures for year-end reporting. Audit fees were $22,000 in Q4 2017 and $17,500 in Q4 2016. Operations from Q4 2016 to Q2 2017 were constrained by tight working capital, primarily influenced by a depressed junior mining sector. The rebound of the junior mining sector and the Company's new focus on Jade exploration has allowed the Company to improve its working capital position through financing, thus allowing the Company to expand its operations. During the first three quarters of 2018 and the fourth quarter of 2017, the Company's expenditures have increased to reflect increased business activities. Additionally, Q1 and Q2 2018 operations include stock-based compensation of $17,500 and $429,700 respectively.

Investments in common shares are recorded at fair value at the respective period ends with the resultant gains or losses recorded in earnings. The price or value of these investments can vary from period to period and consequently gains and losses on these investments can vary from quarter to quarter. The only investment that the Company held has been fully written-off as of March 31, 2018.

10) Off-Balance Sheet Transactions

The Company has no off-balance sheet transactions to report.

11) Directors and Officers

Jean-Pierre Jutras	*Director and President*	Barbara O'Neill	*Corporate Secretary*
Shari Difley	*Director, Chief Financial Officer**	Shane Ebert	*Director*
Cornell McDowell	*Director*	Peter Megaw	*Director***
Douglas Porter	*Director, Chief Financial Officer* (former)*		

* On March 14, 2018, the Board of Directors appointed Ms. Shari Difley, CPA, CA, B. Comm. as the Chief Financial Officer replacing Douglas Porter.

** Mr. Porter ceased to be a Director at the Annual General Meeting held March 14, 2018; Dr. Peter Megaw, a Technical Advisor to the Company was elected to the Board of directors at that time.

12) Related Party Transactions

Transactions for Q3 2018 are disclosed and explained in Note 17 "Related party balances and transactions and key management remuneration" to the Condensed Interim Financial Statements for the nine months ended June 30, 2018 which accompany this document.

13) Share capital, warrants, and stock options

Refer to Note 12, Share capital, stock options and warrants, to the Unaudited Condensed Interim Consolidated Financial Statements for the three and nine months ended June 30, 2018 and the Unaudited Condensed Interim Consolidated Statement of Changes in Equity for common share capital, stock option and warrant transactions during the nine months ended June 30, 2018 and balances as at that date.

During the period July 1, 2018 to August 27, 2018, the date of this report, there were no changes to share capital and options. During this subsequent period a total of 450,000 warrants with an expiry date of March 24, 2019 were exercised at a price of $0.10 per share for total proceeds of $45,000. There were no further changes to warrants.

14) Financial Instruments

The carrying value of the Company's financial instruments, consisting of cash at bank, accounts receivable (net of sales tax), short-term investments and account payable and accrued liabilities (net of sales tax), approximate their fair value due to the short-term nature of the instruments.

It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The Company had nominal foreign currency denominated fund balances. Consequently, variations in foreign exchange rates will not result in material foreign exchange gains or losses at this point in time.

15) Financial Risk Management

a) Credit risk

Credit risk is the risk of financial loss to the Company if counterparties to a financial instrument fail to meet their contractual obligations. The Company's financial instruments that could be subject to credit risk consist of accounts receivable, (excluding sales tax). The Company has had a history of prompt receipt of their receivables and considers credit risk to be low on these instruments as at June 30, 2018 and September 30, 2017. The Company's cash at bank is currently held with one financial institution.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company's approach to managing liquidity risk is the utilization of budgets, to attempt to maintain sufficient liquidity in order to meet operational and exploration requirements as well as property acquisition commitments. The Company raises capital through equity issues and its ability to do so is dependent on a number of factors including market acceptance, stock price and exploration results. The Company is continually investigating financing options. The continuing operations of the Company are dependent upon its ability to continue to obtain adequate financing or to commence profitable operations in the future. The Company believes that it has sufficient working capital to cover administrative and operating costs for fiscal 2018. However, mineral property acquisition commitments, an increase in activity levels, new property acquisitions and/or an expanded 2018 exploration program as well as operating activities for fiscal 2019 and beyond will require additional financing. There can be no assurance that the Company will be successful in obtaining financing. Refer to Note 1 - "Nature of operations and going concern" to the Condensed Interim Consolidated Financial Statements for the nine months ended June 30, 2018 which accompany this MD&A.

c) Market risk
The Company's equity investments are subject to market price risk. These investments were received as partial proceeds for the assignment of mineral properties. The Company does not invest excess cash in equity investments as a general rule. Investment in common shares is recorded at fair value at the respective period ends with the resultant gains or losses recorded in earnings. The price or value of these investments can vary from period to period. During the current fiscal year the Company full wrote-off its investments, (refer to Note 7 - "Short-term investments" to the Unaudited Condensed Interim Consolidated Financial Statements which accompany this document for further information).

d) Interest rate risk
The Company has no debt facilities and has minimal interest income. Consequently the Company is not exposed to significant interest rate risk at this time.

e) Foreign exchange risk
The Company undertakes transactions denominated in US currency; consequently it is exposed to exchange rate fluctuations. In fiscal 2018, a 10% increase or decrease in the US foreign exchange rate would result in an increase or decrease in committed exploration expenditures and option payments of $9,220 and $8,560 respectively as they pertain to the DJ Jade Project acquisition (refer to Section 6, "Commitments" above and Section 21, "Subsequent events" below).

16) Outlook

- During the three month period ended June 30, 2018, the Company's technical team completed a field review of a number of additional potential Jade exploration opportunities in the United States following extensive research into nephrite Jade productive districts active at an artisanal scale around the middle of the last century. As a result of those activities, the Company acquired, through Jadex Corporation, the Company's wholly-owned US subsidiary, the Wyoming Jade Fields property, Wyoming, USA, through staking. The property consists of 50 Mineral Lode Claims in excess of 1,035 acres. On July 15, 2018, Jadex entered into an option agreement to acquire an additional Lode Claim consisting of 20.7 acres. For additional information refer to section 3) "Mineral Properties, Wyoming Jade Fields, Wyoming, USA" below, Section 21) "Subsequent events" and News Release: 18-09 dated July 16, 2018.
- The Company is working to secure the required drilling permits with the local National Forest Service Office for the DJ Jade project in order to conduct initial drill testing of jade lodes already identified at surface. Planning for drill testing will commence as soon as approved under the terms and conditions outlined by the relevant authorities and financing can be arranged. Further surface work to extend known discoveries or additional geophysical work may also be conducted in the coming year.
- During the three month period ended March 31, 2017, the Company acquired by staking a 2,111 hectare property in the Cariboo Goldfields, in central British Columbia called Keithly Mountain. The Company will evaluate and interpret all available historic exploration and new field data from the Keithly Mountain Property and evaluate continuation of work at Keithly Mountain on a priority basis with regards to other ongoing opportunities.
- The Company will continue to seek out financing to pursue continued exploration of existing holdings and seek out new projects. The exercise of 450,000 warrants subsequent to June 30, 2018 for $45,000 has provided further working capital.

17) Risks

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operation (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

The Company is a natural resource company engaged in the acquisition, exploration and development of mineral properties. Given the nature of the mining business, the limited extent of the Company's assets and the present stage of exploration, the following risk factors, among others, should be considered:

- **Exploration, development and operating risks**
  The Company is in the process of exploring its properties and has not yet determined whether its properties contain economically recoverable reserves and, therefore, does not generate any revenues from production. The recovery of expenditures on mineral properties and the related deferred exploration expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its properties, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful.

- **Substantial capital requirements and liquidity**
  Substantial additional funds for the establishment of the Company's current and planned mining operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operation and pursue only those projects that can be funded through cash flows generated from its existing operations, if any.

- **Fluctuating mineral prices**
  The economics of mineral exploration are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, the Company may determine that it is impractical to continue a mineral exploration operation. Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Company's properties.

- **Regulatory, permit and license requirements**
  The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the Properties will be obtainable on reasonable terms, or that such laws and regulation will not have an adverse effect on any exploration or development project which the Company might undertake.

  Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

- **Financing risks and dilution to shareholders**
  The Company has limited financial resources, no operations and no revenues. If the Company's exploration program on it properties is successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Company's shareholders.

- **Title to properties**
  Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give an assurance that title to its properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Optionors or the Company, as the case may be does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any minerals on its properties without compensation for its prior expenditures relating to its properties.

- **Competition**
  The mineral exploration and development industry is highly competitive. The Company will have to compete with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of mineral claims, leases and other mineral interest as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

- **Reliance on management and dependence on key personnel**
  The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

- **Environmental risks**
  The Company's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and provincial and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that drill sites and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental

legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increase capital expenditures and operating costs.

- **Conflicts of interest**
  Certain of the Directors and Officers of the Company are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such Directors and Officers of the Company may become subject to conflicts of interest. Canadian corporate laws provide that in the event that a Director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contact or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under those laws. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the applicable Canadian corporate laws.

- **Uninsurable risks**
  Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the company's shares.

- **Litigation**
  The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

18) Critical Accounting Estimates

The most significant accounting estimate for the Company relates to the carrying value of its exploration and evaluation assets. Exploration and evaluation assets consist of the capitalized costs of exploration on, and acquisition of, mining concessions. Acquisition and leasehold costs and exploration costs are capitalized and deferred until such time as the property is put into production or the properties are disposed of either through sales or abandonments. The estimated values of exploration and evaluation assets are evaluated by management on a regular basis to determine whether facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. Reference is made to project economics, including the timing of the exploration and/or development work, the work programs and exploration results experienced by the Company and others, financing, the extent to which optionees have committed, or are expected to commit to, exploration on the property and the imminent expiry of right to explore, among other factors. When it becomes apparent that the carrying value of a specific property will not be realized an impairment provision is made for the estimated decline in value.

The Company's estimate for decommissioning obligations is based on existing laws, contracts or other policies. The value of the obligation is based on estimated future costs for abandonments and reclamations and requires that certain assumptions be made. By their nature, these estimates are subject to measurement uncertainty.

The Company uses the Black-Scholes Option Pricing Model to value stock options and warrants. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted and vested, or warrants issued, during the year.

The Company estimates the fair value of its short-term equity investments at each period end as they are carried at fair value in the Statement of Financial Position. The Company uses the closing price of the common shares on the period-end date and uses the Black-Scholes Option Pricing Model discussed above to estimate the value of its investment in warrants. The price at which these instruments can ultimately be sold will vary from these estimates due to the timing of their sale, the volume of trading in securities at any given time and changes in the market over time, among other factors.

19) New Accounting Policies

The Company did not adopt any new accounting policies during the nine month period ended June 30, 2018.

IFRS accounting standards, interpretations and amendments subsequent to period-end
Certain new accounting standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for periods subsequent to those disclosed in the financial statements. They include the following, but do not include updates that are not applicable or are not consequential to the Company's operations:

i) IFRS 9 - Financial Instruments

Financial instruments, and consequential amendments to other related standards, are effective for accounting periods commencing on or after January 1, 2018. However, new amendments related to IFRS 9 were issued in November 2013 and were applied prospectively in the financial statements for the 2014 year, as the Company had early adopted this section. The amendments relate to hedging and own credit risk, to which the Company is not exposed, therefore these amendments did not have a significant impact on its financial reporting.

21) Subsequent events

On July 15, 2018, Jadex signed an Option Agreement for a 100% interest in an existing Lode Claim (20.7 acres) in Wyoming, United States. To acquire a 100% interest, subject to a 2% Net Smelter Return royalty ("NSR"), Jadex must make the following payments in US dollars:

Due date	Option Payments US$	Exploration Expenditures US$
July 15, 2018	8,000*	-
July 15, 2019	12,000	10,000
July 15, 2020	15,000	50,000
Total	35,000	60,000

*The first option payment was made on July 15, 2018.

The Company has the option, upon written notice, to acquire one half, (1%), of the NSR for US$20,000 in cash. The Optionor also granted the Company the right, upon written notice, to acquire the remaining half, (1%), of the NSR for US$30,000 in cash, thereby extinguishing the NSR of the Optionor.

Subsequent to June 30, 2018 450,000 warrants, exercisable at $0.10 per share to March 24, 2019, were exercised for gross proceeds of $45,000.

22) Other

Additional information relating to the Company may be found on SEDAR at www.sedar.com.