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Consolidated Financial Statements
Years Ended April 30, 2017 and 2016
(Expressed in Canadian Dollars)

Index	**Page**

Smythe CPA

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF SOUTHERN SILVER EXPLORATION CORP.

We have audited the accompanying consolidated financial statements of Southern Silver Exploration Corp., which comprise the consolidated statements of financial position as at April 30, 2017 and 2016 and the consolidated statements of comprehensive loss, changes in shareholders' deficiency and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Southern Silver Exploration Corp. as at April 30, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
August 24, 2017

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Southern Silver Exploration Corp.
(An Exploration Stage Company)
Consolidated Statements of Comprehensive Loss
Years Ended April 30, 2017 and 2016
(Expressed in Canadian Dollars)

	Note		2017		2016
Expenses					
Administration	9	$	60,000	$	60,000
Consulting	9		178,241		172,608
Exploration and evaluation	7 & 9		969,192		2,552,601
Investor relations	9		408,368		147,058
Office and general	9		37,817		34,384
Professional fees	9		169,206		179,618
Regulatory fees and taxes			44,398		28,793
Share-based payments	10		409,926		195,532
Shareholders' communications			16,403		8,948
Transfer agent			38,732		10,445
Travel and promotion			1,187		15,898
			2,333,470		**3,405,885**
Foreign exchange gain			(35,069)		(15,946)
Mineral property impairment	7		-		21,477
Gain on loss of control of subsidiary	8		(333,794)		-
Share of loss in equity accounted investment	8		666,886		-
			298,023		**5,531**
Net Loss and Comprehensive Loss for the Year		**$**	**2,631,493**	**$**	**3,411,416**
Attributable to:					
Equity holders		**$**	2,407,241	$	2,909,525
Non-controlling interest			224,252		501,891
		$	**2,631,493**	**$**	**3,411,416**
Loss per share attributable to equity holders - basic and diluted		$	0.03	$	0.05
Weighted average number of common shares outstanding			81,914,607		54,434,750

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

Southern Silver Exploration Corp.

(An Exploration Stage Company)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at	**Note**		**April 30, 2017**		**April 30, 2016**
Current Assets					
Cash	13	$	2,401,026	$	1,738,352
Taxes and other receivables			29,528		26,269
Prepaids			59,981		46,327
			2,490,535		**1,810,948**
Non-Current Assets					
Reclamation bonds	6		31,067		38,231
Mineral properties	7		59,753		2,200,910
Investment in associate	8		4,043,938		-
			4,134,758		**2,239,141**
		$	**6,625,293**	**$**	**4,050,089**
Current Liabilities					
Accounts payable and accrued liabilities		$	275,833	$	511,138
Due to related parties	9		76,774		16,320
			352,607		**527,458**
Equity					
Share capital	10		34,258,500		31,974,567
Share-based payments reserve			836,198		599,601
Warrants reserve			931,156		1,016,000
Other reserve			9,270		999,495
Deficit			(29,762,438)		(27,373,083)
Equity attributable to shareholders			**6,272,686**		**7,216,580**
Non-controlling interest			**-**		**(3,693,949)**
			6,272,686		**3,522,631**
		$	**6,625,293**	**$**	**4,050,089**

Approved on behalf of the Board	"*Lawrence Page*"	"*Eugene Spiering*"
	Lawrence Page, Q.C.	**Eugene Spiering**

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

Southern Silver Exploration Corp.

(An Exploration Stage Company)
Consolidated Statements of Changes in Equity
Years Ended April 30, 2017 and 2016
(Expressed in Canadian Dollars)

	Share Capital		Share-based				Equity	Non-	
	Number of Shares	Amount	Payments Reserve	Warrants Reserve	Other Reserve	Deficit	Attributable to Equity Holders	Controlling Interest	Total
Balance as at April 30, 2015	**44,483,436**	**$ 30,655,145**	**$ 580,265**	**$ 800,000**	**$ 9,270**	**$ (30,411,672)**	**$ 1,633,008**	**$ -**	**$ 1,633,008**
Issued									
Private placements	22,000,000	1,380,000	-	220,000	-	-	1,600,000	-	1,600,000
Exercise of options and warrants	192,500	15,400	-	-	-	-	15,400	-	15,400
Issuance of shares by subsidiary	-	-	-	-	-	5,763,908	5,763,908	(3,192,058)	2,571,850
Proceeds received on account of earn-in	-	-	-	-	990,225	-	990,225	-	990,225
Share issue costs	-	(85,742)	13,774	-	-	-	(71,968)	-	(71,968)
Share-based payments	-	-	195,532	-	-	-	195,532	-	195,532
Fair value of options and warrants exercised	-	9,764	(5,764)	(4,000)	-	-	-	-	-
Fair value of options and warrants expired	-	-	(184,206)	-	-	184,206	-	-	-
Net loss	-	-	-	-	-	(2,909,525)	(2,909,525)	(501,891)	(3,411,416)
Balance as at April 30, 2016	**66,675,936**	**31,974,567**	**599,601**	**1,016,000**	**999,495**	**(27,373,083)**	**7,216,580**	**(3,693,949)**	**3,522,631**
Issued									
Private placements	11,000,000	1,100,000	-	-	-	-	1,100,000	-	1,100,000
Exercise of options and warrants	9,498,512	1,002,691	-	-	-	-	1,002,691	-	1,002,691
Proceeds received on account of earn-in	-	-	-	-	393,420	-	393,420	-	393,420
Share issue costs	-	(77,595)	18,550	-	-	-	(59,045)	-	(59,045)
Share-based payments	-	-	409,926	-	-	-	409,926	-	409,926
Fair value of options and warrants exercised	-	258,837	(173,993)	(84,844)	-	-	-	-	-
Fair value of warrants expired	-	-	(17,886)	-	-	17,886	-	-	-
Net loss	-	-	-	-	-	(2,407,241)	(2,407,241)	(224,252)	(2,631,493)
Adjustment on loss of control of subsidiary	-	-	-	-	(1,383,645)	-	(1,383,645)	3,918,201	2,534,556
Balance as at April 30, 2017	**87,174,448**	**$ 34,258,500**	**$ 836,198**	**$ 931,156**	**$ 9,270**	**$ (29,762,438)**	**$ 6,272,686**	**$ -**	**$ 6,272,686**

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

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
Years Ended April 30, 2017 and 2016
(Expressed in Canadian Dollars)

	2017	2016
Operating Activities		
Net loss	$ (2,631,493)	$ (3,411,416)
Items not involving cash:		
Gain on loss of control of subsidiary	(333,794)	-
Mineral property impairment	-	21,477
Share of loss in equity investment	666,886	-
Share-based payments	409,926	195,532
Unrealized foreign exchange (gain) loss	(2,697)	42,054
	(1,891,172)	(3,152,353)
Changes in non-cash working capital		
Taxes and other receivables	(4,668)	(2,077)
Prepaids	(52,546)	(22,524)
Accounts payable and accrued liabilities	(175,418)	80,882
Due to related parties	60,454	(128,120)
	(172,178)	(71,839)
Cash Used in Operating Activities	(2,063,350)	(3,224,192)
Investing Activities		
Mineral property acquisition	(192,613)	(166,900)
Reclamation bond	(29,631)	-
Net outflow arising on deconconsolidation of subsidiary	(153,989)	-
Cash Used in Investing Activities	(376,233)	(166,900)
Financing Activities		
Advances from associate, net	663,089	-
Proceeds from shares issued by Company, net	2,043,646	1,543,432
Proceeds from shares issued by subsidiary	-	2,571,850
Proceeds received on account of earn-in	393,420	990,225
Cash Provided by Financing Activities	3,100,155	5,105,507
Foreign Exchange Effect on Cash	2,102	(39,212)
Increase in Cash During the Year	662,674	1,675,203
Cash, Beginning of Year	1,738,352	63,149
Cash, End of Year	$ 2,401,026	$ 1,738,352

Supplemental cash flow information (Note 13)

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

(Expressed in Canadian Dollars)

1. Nature of Operations and Going Concern

Southern Silver Exploration Corp. (the "Company") is an exploration stage company incorporated under the laws of British Columbia, Canada. The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third party option and/or joint venture agreements. The Company's registered office is 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

These consolidated financial statements were prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at April 30, 2017 the Company had working capital of $2,137,928 (2016 - $1,283,490). The Company incurred a net loss of $2,631,493 for the year ended April 30, 2017 (2016 - $3,411,416) and had an accumulated deficit of $29,762,438 as at April 30, 2017 (2016 - $27,373,083).

The Company has relied mainly upon the issuance of share capital and mineral property earn-in agreements to finance its activities. The Company will be required to rely on such funding to finance future exploration and administrative activities. There can be no assurance that further financing will be available to the Company and, therefore, a material uncertainty exists that casts significant doubt over the Company's ability to continue as a going concern. These consolidated financial statements do not include the adjustments to assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustment could be material.

2. Basis of Preparation and Consolidation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") on a historical cost basis, except for cash flow information and financial instruments measured at fair value. The financial statements of the Company consolidates entities controlled and equity accounts entities partially-owned by the Company as follows:

Entity	Country of Incorporation	Principal Activity
Southern Silver Holdings Limited ("SSHL")	British Virgin Islands	Holding company - 40% owned by the Company (Note 8)
Minera Plata del Sur S.A de C.V. ("MPS")	Mexico	Mineral exploration - 100% owned by SSHL (Note 8)
Southern Silver Projects Limited ("SSPL")	British Virgin Islands	Holding company - 100% owned by the Company
Exploraciones Magistral S.A de C.V.	Mexico	Mineral exploration - 100% owned by SSPL
Southern Silver Exploration Corp. (US)	United States of America	Mineral exploration - 100% owned by the Company

2. Basis of Preparation and Consolidation, continued

All inter-company transactions and balances have been eliminated upon consolidation. The Company's functional and presentation currency is the Canadian dollar.

These consolidated financial statements were approved and authorized for issue by the Board of Directors on August 24, 2017.

3. Summary of Significant Accounting Policies

(a) Significant Accounting Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and judgments that affect amounts reported in the consolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and subject to measurement uncertainty. The effect on the consolidated financial statements of changes in such estimates in future reporting periods could be significant. Significant estimates and areas where judgment is applied that have significant effect on the amount recognized in the consolidated financial statements include:

Control

Management consolidates all subsidiaries and entities which it is determined that the Company controls. Control is evaluated on the ability of the Company to direct the activities of the subsidiary or entity to derive variable returns and management uses judgment in determining whether control exists. Judgment is exercised in the evaluation of the variable returns and in determining the extent to which the Company has the ability to exercise its power to generate variable returns.

Determination of fair value of the remaining interest of the investment in associate on the date the Company lost control

The Company determined the fair value of the remaining interest in its investment in SSHL on the date that it lost control. The determination of when an investment is impaired requires significant judgment. In making this judgment, the Company evaluates, amongst other things, the duration and extent to which the fair value of the investment is less than its original cost at each reporting period.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

3. Summary of Significant Accounting Policies, continued

(a) Significant Accounting Estimates and Judgments, continued

Impairment of long-lived assets

The carrying value of mineral property acquisition costs is reviewed each reporting period to determine whether there is any indication of impairment. The determination of the impairment involves the application of a number of significant judgments and estimates to certain variables including metal price trends, plans for properties, and the results of exploration and evaluation to date.

Determination of, and provision for, reclamation and remediation obligations

The Company assesses its provision for asset retirement obligations on an annual basis or when new material information becomes available. Accounting for reclamation and remediation obligations requires management to make estimates of the future costs the Company will incur to complete the reclamation and remediation work required to comply with existing laws and regulations. Actual costs incurred may differ from those amounts estimated. Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation.

Deferred taxes

The Company recognizes a deferred tax asset to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit against which deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized. In addition, changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods.

Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model at the date of grant and are expensed to net loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Mexican Value Added Tax

The recoverability of taxes receivable related to value added tax incurred in Mexico is dependent on various factors such as local policy, historical collectability and the general economic environment. Management uses all relevant facts to determine if the taxes receivable are recoverable.

3. Summary of Significant Accounting Policies, continued

(b) Mineral Properties

All expenditures related to the acquisition of mineral properties are capitalized on a property-by-property basis, net of recoveries which are recorded when receivable, until these mineral properties are placed into commercial production, sold or abandoned. If commercial production is achieved from a mineral property, the related mineral properties are tested for impairment and reclassified to mineral property in production.

If a mineral property is sold or abandoned, the related capitalized costs will be expensed to profit or loss in that period.

All expenditures related to the exploration and evaluation of mineral properties, net of recoveries which are recorded when receivable, are expensed to net loss in the period in which they are incurred.

From time to time, the Company may acquire or dispose of all or part of its mineral property interests under the terms of property option agreements. Options are exercisable entirely at the discretion of the optionee, and accordingly, option payments are recognized when paid or received. If recoveries are received and exceed the capitalized expenditures, the excess is reflected in profit or loss.

All capitalized mineral property costs are reviewed at each reporting date, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the carrying value, provision is made for the impairment in value. The amounts capitalized for mineral properties represent costs incurred to date less write-downs, and are not intended to reflect present or future values.

The Company recognizes an estimate of the liability associated with statutory, contractual, constructive or legal obligations associated with site closure and property retirement costs in the period in which the liability is incurred if a reasonable estimate of fair value can be made. The estimated fair value or present value of future cash flows is capitalized to the related mining acquisition assets with a corresponding increase in the rehabilitation provision in the period incurred. The capitalized amount will be depreciated on a unit-of-production basis over the estimated life of the ore reserve.

The amount of the provision will be increased each reporting period due to the passage of time and the amount of accretion is charged to profit or loss. The provision can also increase or decrease due to changes in regulatory requirements, discount rates, and assumptions regarding the amount and timing of future rehabilitation expenditures. Any changes are recorded directly to the related mining assets with a corresponding change to the rehabilitation provision. Actual rehabilitation expenditures incurred are charged against the rehabilitation provision to the extent of the liability recorded.

3. Summary of Significant Accounting Policies, continued

(c) Investment in associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The results, assets and liabilities of associates are incorporated using the equity method of accounting. Under the equity method, investments in associates are initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income (loss) of the associate.

When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

(d) Share Capital

Proceeds from the issue of units, consisting of common shares and share purchase warrants, are first allocated to common shares based on the quoted market value of the common shares at the time the units are priced, and the balance, if any, is allocated to the attached warrants. Share issue costs are netted against share proceeds prorated to common shares and share purchase warrants.

(e) Share-based Payments

Share-based payments for employees are measured at fair value of the instruments issued on the date of grant and amortized over the vesting period. Share-based payments for non-employees are measured at either the fair value of the goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded on the date the goods or services are received. The fair value of stock options is charged to profit or loss using the graded vesting method, with the offset credit to share-based payment reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related fair value previously recorded is transferred from share-based payment reserve to share capital. Upon expiry, related fair value previously recorded is transferred from share-based payment reserve to deficit.

3. Summary of Significant Accounting Policies, continued

(f) Related Party Transactions

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

(g) Reclamation Bonds

Reclamation bonds are recorded at amortized cost and held by government agencies or in trust.

(h) Foreign Currency Translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

(i) Monetary assets and liabilities, at the rate of exchange in effect as at the reporting date;
(ii) Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
(iii) Revenues and expenses (excluding amortization, which is translated at the same rate as the related asset), at the exchange rates in effect on the date of the transaction.

Gains and losses arising from this translation of foreign currency are included in the determination of net loss.

(i) Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax basis.

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the enactment date.

Deferred tax assets also result from unused tax losses carried forward, resource related tax pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3. Summary of Significant Accounting Policies, continued

(j) Loss per Share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options, warrants and similar instruments that would be anti-dilutive.

(k) Financial Instruments

The Company classifies its financial assets in the following categories: at fair value through profit or loss, available-for-sale or loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

Fair value through profit or loss ("FVTPL")

FVTPL financial assets are initially recognized at fair value with changes in fair value recorded through profit or loss.

Available-for-sale ("AFS")

AFS financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other financial asset categories and are recognized at fair value and subsequently carried at fair value. Changes in the fair value of AFS financial assets other than impairment losses are recognized as other comprehensive loss and classified as a component of equity.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

3. Summary of Significant Accounting Policies, continued

(k) Financial Instruments, continued

Financial liabilities

The Company classifies its financial liabilities in the following categories: other financial liabilities and derivative financial liabilities.

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method.

Other financial liabilities are classified as current or non-current based on their maturity date.

(l) Future Accounting Standards Changes

IFRS 9: *Financial Instruments* will eventually form a complete replacement for IAS 39: *Financial Instruments: Recognition and Measurement*.

All financial assets are classified as measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified as subsequently measured at amortized cost except for financial liabilities classified at fair value through profit and loss, financial guarantees and certain other exceptions.

In response to delays to the completion of the remaining phases of the project, on December 16, 2011, the IASB issued amendments to IFRS 9 which deferred the mandatory effective date from January 1, 2013 to annual periods beginning on or after January 1, 2018. The amendments also provided relief from the requirement to restate comparative consolidated financial statements for the effects of applying IFRS 9. The Company is currently assessing these effects.

4. Financial Instruments

(a) Categories of Financial Instruments

The Company's financial instruments include cash, reclamation bonds, accounts payable and accrued liabilities and amounts due to related parties.

The Company has classified its financial instruments into the following categories:

Financial Instrument	Category	Carrying Value
Cash	FVTPL	Fair Value
Reclamation Bonds	Loans and Receivables	Amortized Cost
Accounts Payable and Accrued Liabilities	Other Financial Liabilities	Amortized Cost
Due to Related Parties	Other Financial Liabilities	Amortized Cost

4. Financial Instruments, continued

(b) Fair Value

The carrying values of accounts payable and accrued liabilities and amounts due to related parties approximate their fair values due to the short period to maturity. Reclamation bonds are non-interest-bearing, have no maturity date and their carrying values approximate fair value.

(c) Financial Risk Management

The Company's financial instruments are exposed to certain financial risks, including liquidity risk, interest rate risk, credit risk, currency risk, and other price risk. The Company's exposure to these risks and its methods of managing the risks are summarized as follows:

(i) Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations, anticipated investing and financing activities and through management of its capital structure.

As at April 30, 2017, all of the Company's financial liabilities are either due immediately or have contractual maturities of less than 90 days.

(ii) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is not exposed to interest rate risk as no current financial instruments earn or accrue interest.

(iii) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge its contractual obligations.

The Company is exposed to credit risk mainly in respect to managing its cash, which is held with Canadian financial institutions. The Company mitigates credit risk by risk management policies that require significant cash deposits or any short-term investments be invested with Canadian chartered banks rated BBB or better, or commercial paper issuers R1/A2/P2 or higher. All investments must be less than one year in duration.

(iv) Currency Risk

The Company is exposed to currency risk to the extent expenditures incurred, funds received and balances maintained by the Company are denominated in currencies other than the Canadian dollar (primarily US dollars and Mexican pesos).

4. Financial Instruments, continued

(c) Financial Risk Management, continued

(iv) Currency Risk, continued

The Company does not manage currency risks through hedging or other currency management tools. As at April 30, 2017, cash totalling $1,083,827 (2016 - $1,047,996) was held in US dollars and $nil (2016 - $2,436) in Mexican Pesos. As at April 30, 2017, accounts payable and accrued liabilities totalling $241,270 (2016 - $366,728) were payable in US dollars and $14,241 (2016 - $43,823) in Mexican Pesos. Based on forecast exchange rate movements for the next twelve months assuming all other variables remain constant, the Company considers its financial performance and cash flows would not be materially affected by a weakening or strengthening of the US dollar or Mexican peso.

(v) Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

5. Capital Management

The Company's capital includes components of equity. The Company's objectives in managing its capital are to maintain the ability to continue as a going concern and to continue to explore the Company's mineral properties for the benefit of its stakeholders. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place setting out the expenditures required to meet its strategic goals. The Company compares actual expenses to budget on all exploration projects and overhead to manage costs, commitments and exploration activities.

As the Company is in the exploration stage, its operations have been substantially funded by the issuance of equity instruments and mineral property earn-in agreements. The Company will continue to rely on such funding depending upon market and economic conditions at the time. There have been no changes in the Company's approach to capital management during the year ended April 30, 2017.

6. Reclamation Bonds

The Company is required to post non-interest-bearing reclamation bonds against any potential land restoration costs that may be incurred in the future. The funds are held in trust and may be released after required reclamation is satisfactorily completed.

As at April 30, 2017, amounts on deposit were $31,067 (US $22,760) with respect to Oro (2016 - $38,231 (Mexican Peso 523,778) with respect to a 1% net smelter return ("NSR") royalty payable at Minas de Ameca (Note 7(b)).

(Expressed in Canadian Dollars)

7. Mineral Properties

Mineral property acquisition costs as at April 30, 2017 were as follows:

	Cerro Las Minitas	**Minas de Ameca**	**Oro**	**Total**
	$	**$**	**$**	**$**
Balance as at April 30, 2015	2,055,487	-	-	2,055,487
Additions, net	145,423	-	21,477	166,900
Impairments	-	-	(21,477)	(21,477)
Balance as at April 30, 2016	2,200,910	-	-	2,200,910
Additions, net	132,860	-	59,753	192,613
Adjustment on deconsolidation	(2,333,770)	-	-	(2,333,770)
Balance as at April 30, 2017	**-**	**-**	**59,753**	**59,753**

(a) Cerro Las Minitas - Mexico

The property consists of twenty mineral concessions located in Durango, Mexico, of which the Company owns an indirect 40% interest (Note 8).

During the year ended April 30, 2017, obligations were completed to acquire certain equipment and surface lots by making a final payment, excluding applicable local taxes, of US $100,000.

(b) Minas de Ameca - Mexico

On October 18, 2006, the Company acquired the El Magistral mineral claim in the Ameca region in the State of Jalisco, Mexico located about 80 kilometres west of Guadalajara. The property includes the San Luis claim.

The El Magistral claim is subject to a 1% NSR payable to the Mexican government.

The Company is continuing efforts to option the claims to a third party and previously considered this to be an indicator of impairment recording an impairment provision against all capitalized costs relating to these claims.

The Company now owns an indirect 40% interest in the property (Note 8).

(c) Oro - New Mexico, USA

The property consists of certain unpatented mining claims in the Eureka Mining District, Grant County, New Mexico, eight patented lode mining claims, which are adjacent to these claims, and surface rights to a contiguous property. The property is subject to a 2% NSR payable to the optionors whom have granted the Company an option to purchase the NSR at any time in 0.5% increments at US $500,000 for each increment.

(Expressed in Canadian Dollars)

7. Mineral Properties, continued

(c) Oro - New Mexico, USA, continued

Pursuant to a lease with option to purchase agreement dated May 1, 2011, the Company can earn a 100% interest in six unpatented lode mining claims also located in the Eureka Mining District, Grant County, New Mexico.

Remaining lease payments are due as follows:

(i) US $6,000 on May 1, 2017 (paid subsequent to year-end);
(ii) US $30,000 annually from May 1, 2018 to May 1, 2024; and
(iii) US $60,000 annually from May 1, 2025 to May 1, 2031.

The Company can purchase the property at any time by paying any amounts remaining under the lease, subject to a 1% NSR payable to the optionors, which terminates when aggregate payments thereunder equal US $500,000.

During the year ended April 30, 2016, the Company continued to assess its planned course of action with respect to the property and determined this to be an indicator of impairment. As no recoverable amount could be estimated, an impairment provision was recorded against all capitalized costs relating to these claims of $21,477 in accordance with Level 3 of the fair value hierarchy.

(d) Exploration and Evaluation Expenditures

Exploration and evaluation expenditures for the years ended April 30, 2017 and 2016 were as follows:

	Cerro Las Minitas		**Oro**		**Total**	
	$	**$**	**$**	**$**	**$**	**$**
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Assays and geochemistry	57,003	128,799	49,352	1,406	106,355	130,205
Camp, utilities and supplies	3,984	97,411	2,397	5,075	6,381	102,486
Drilling	266,448	1,313,318	105,448	-	371,896	1,313,318
Equipment and field supplies	31,391	38,397	-	-	31,391	38,397
Geological and geophysics	42,934	105,299	110,494	16,644	153,428	121,943
Land fees	44,694	49,681	-	-	44,694	49,681
Project supervision	170,222	485,198	12,785	6,883	183,007	492,081
Project support	1,783	5,044	-	-	1,783	5,044
Taxes	60,868	276,017	-	-	60,868	276,017
Travel	1,733	20,391	-	-	1,733	20,391
	681,060	**2,519,555**	**280,476**	**30,008**	961,536	2,549,563
General exploration - other					7,656	3,038
					969,192	**2,552,601**

7. Mineral Properties, continued

(e) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest.

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

(f) Title to Mineral Properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mineral properties.

The Company has investigated title to its mineral property interests in accordance with industry standards for the current stage of exploration of such properties and, to the best of its knowledge, title to its properties are in good standing; however, these procedures do not guarantee the Company's title.

Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

(g) Realization of Assets

Realization of the Company's investment in mineral properties is dependent upon the establishment of legal ownership, the obtaining of permits, the satisfaction of governmental requirements, the attainment of successful production from the properties, or from the proceeds of their disposal.

The attainment of commercial production is in turn dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the property interest, and upon future profitable production.

(Expressed in Canadian Dollars)

8. Investment in Associate

Pursuant to an agreement with Electrum Global Holdings L.P. ("Electrum") for the right to earn an indirect 60% interest in the Cerro Las Minitas property, Electrum previously contributed US$2,000,000 for a 30.1% interest in SSHL. Electrum had the right to earn an additional 20% by contributing US$1,500,000 and a final 10% interest by contributing an additional US$1,500,000. On November 2, 2016, Electrum completed the earn-in.

Following the earn-in period, each SSHL shareholder is to proportionately participate in all costs and expenditures in accordance with their respective participating interest or have their participating interest diluted in accordance with an applicable dilution formula. If a participating interest is diluted to less than 10%, that interest will be surrendered in exchange for a 2% NSR.

As the Company has retained a 40% interest and is able to exert significant influence, SSHL is considered to be an associate effective from November 2, 2016 and as at April 30, 2017. On completion of the earn-in, the retained interest was fair valued to $5,373,913, resulting in a gain upon deconsolidation of $333,794 as:

		2017		**2016**
Fair value of retained interest	$	5,373,913	$	-
Net assets derecognized		(2,505,563)		-
NCI balance derecognized		(3,918,201)		-
Other reserves derecognized		1,383,645		-
Total	$	**333,794**	$	**-**

The interest is now accounted for as an investment in an associate using the equity method as:

		2017		**2016**
Investment amount	$	5,373,913	$	-
Advances from associate, net		(663,089)		-
Share of net loss		(666,886)		-
Total	$	**4,043,938**	$	**-**

With respect to Cerro Las Minitas, the Company will be expected to contribute at its participating interest to the following:

- On April 20, 2017, two contiguous concessions were acquired by staking. One of these claims is subject to a finder's fee whereby minimum periodic payments are due on a semi-annual basis accelerating from US $5,000 to US $25,000 over a ninety-six month period and a 1% NSR with such periodic payments being credited to NSR payments. Subsequent to payment of US $5,000,000 in NSR payments the royalty is reduced to 0.5%.

- One additional concession may be acquired if the underlying owner can deliver registered title on or before September 27, 2017, by making a payment, excluding applicable local taxes, of US $400,000.

(Expressed in Canadian Dollars)

8. Investment in Associate, continued

Summarized financial information for SSHL and MPS after inter-company eliminations is as follows:

	2017	2016
Current assets (USD)	$ 609,525	$ 55,782
Non-current assets (USD)	2,195,474	2,091,543
Current liabilities (USD)	296,972	143,264
Non-current liabilities (USD)	10,678,245	10,599,189
Net loss (USD)	1,825,091	1,979,927

9. Related Party Balances and Transactions

Except as disclosed elsewhere in these consolidated financial statements, the Company entered into the following related party transactions:

(a) Pursuant to a service agreement between the Company and a private company controlled by a director and officer of the Company, the Company was charged as follows:

- $60,000 (2016 - $60,000) for office space and general administration services;
- $34,700 (2016 - $26,250) for professional services;
- $27,921 (2016 - $31,788) for consulting services;
- $94,078 (2016 - $42,883) for investor relations services;
- $61,318 (2016 - $155,005) for geological services;
- $60,667 (2016 - $nil) for geological services (charged to investment in associate); and
- $7,043 (2016 - $1,383) for the mark-up on out-of-pocket expenses.

Amounts payable as at April 30, 2017 were $35,731 (2016 - $3,992).

(b) Fees in the amount of $112,320 (2016 - $112,320) were charged by a director and officer of the Company for consulting services. Amounts payable as at April 30, 2017 were $9,828 (2016 - $9,828).

(c) Fees in the amount of $52,766 (2016 - $25,047) were charged by a law firm controlled by a director and officer of the Company and included in professional fees, share issue costs, mineral property expenditures or charged to investment in associate. Amounts payable as at April 30, 2017 were $28,590 (2016 - $nil).

(d) Fees in the amount of $30,000 (2016 - $28,500) were charged by an officer of the Company for consulting services. Amounts payable as at April 30, 2017 were $2,625 (2016 - $2,500).

These transactions were in the normal course of operations and were measured at the fair value of the services rendered. Amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment.

(Expressed in Canadian Dollars)

9. Related Party Balances and Transactions, continued

The key management personnel of the Company are the directors and officers of the Company. The Company has no long-term employee or post-employment benefits. Compensation awarded to key management, included in (b) and (d) above, was as follows:

		2017		2016
Short-term benefits	$	142,320	$	140,820
Share-based payments		283,221		133,643
Total	$	425,541	$	274,463

One executive officer is also entitled to termination benefits in the event of a change of control equal to one hundred percent of the compensation that would have been paid during the unexpired term of their agreement. The remaining balance payable under the agreement termination clause as at April 30 , 2017 was $243,360.

10. Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

(a) Equity Financings

Year ended April 30, 2017

On May 19, 2016, the Company closed a private placement and issued 11,000,000 units at a price of $0.10 per unit for gross proceeds of $1,100,000. Each unit consisted of one common share and one common share purchase warrant, with each warrant exercisable to purchase one additional common share for a period of five years at an exercise price of $0.15 per share.

The Company also issued 72,000 finders' share purchase warrants exercisable to purchase one common share for a period of five years at an exercise price of $0.15 per share. The warrants were fair valued at $18,550 using the Black-Scholes option pricing model (Note 10(d)).

Year ended April 30, 2016

On June 26, 2015, the Company closed a private placement by issuing 10,000,000 units at a price of $0.10 per unit for gross proceeds of $1,000,000. Each unit consisted of one common share and one common share purchase warrant, with each warrant exercisable to purchase one additional common share for a period of five years at an exercise price of $0.15 per share.

On March 4, and April 8, 2016, the Company closed two tranches of a private placement and issued 12,000,000 units at a price of $0.05 per unit for gross proceeds of $600,000. Each unit consisted of one common share and one common share purchase warrant, with each warrant exercisable to purchase one additional common share for a period of five years at an exercise price of $0.08 per share.

(Expressed in Canadian Dollars)

10. Share Capital, continued

(a) Equity Financings, continued

The Company also issued a total of 242,400 finders' share purchase warrants exercisable to purchase one common share for a period of five years at an exercise price of $0.08 per share. The warrants were fair valued at $13,774 using the Black-Scholes option pricing model (Note 10(d)).

(b) Stock Options

The Company has a rolling stock option plan (the "Plan") that allows for the reservation of common shares issuable under the Plan to a maximum of 10% of the number of issued and outstanding common shares of the Company at any given time. The term of stock options granted under the Plan may not exceed ten years and the exercise price may not be less than the closing price of the Company's shares on the last business day immediately preceding the date of grant, less any permitted discount. On an annual basis, the Plan requires approval by the Company's shareholders and submission for regulatory review and acceptance.

On June 3, 2016, the Company granted 1,625,000 stock options to directors, officers and consultants exercisable for a period of five years at an exercise price of $0.30 per share. Included within this grant were 75,000 stock options that vest on September 3, 2016 (25%), December 3, 2016 (25%), March 3, 2017 (25%) and June 3, 2017 (25%).

Stock options outstanding and exercisable as at April 30, 2017 and 2016 were as follows:

Exercise Price	Expiry Date	Balance April 30, 2016	Granted	Exercised	Balance April 30, 2017
$1.00	June 5, 2017	35,000	-	-	35,000
$1.00	March 14, 2018	150,000	-	-	150,000
$0.08	March 14, 2018	220,200	-	141,000	79,200
$0.50	March 24, 2019	50,000	-	-	50,000
$0.08	March 26, 2020	3,429,000	-	911,000	2,518,000
$0.08	July 29, 2020	1,000,000	-	250,000	750,000
$0.08	September 28, 2020	250,000	-	60,000	190,000
$0.11	April 22, 2021	1,350,000	-	161,500	1,188,500
$0.30	June 3, 2021	-	1,625,000	-	1,625,000
Options outstanding		**6,484,200**	**1,625,000**	**1,523,500**	**6,585,700**
Options exercisable		**6,284,200**			**6,566,950**
Weighted average exercise price, outstanding		$0.12	$0.30	$0.07	$0.17
Weighted average exercise price, exercisable		$0.12	$0.30	$0.07	$0.17
Weighted average remaining life in years, outstanding		4.06			3.35
Weighted average remaining life in years, exercisable		3.92			3.34

(Expressed in Canadian Dollars)

10. Share Capital, continued

(b) Stock Options, continued

Exercise Price	Expiry Date	Balance April 30, 2015	Granted	Exercised	Expired	Balance April 30, 2016
$1.70	November 29, 2015	50,000	-	-	50,000	-
$0.08	November 29, 2015	61,500	-	-	61,500	-
$1.70	December 13, 2015	10,000	-	-	10,000	-
$1.00	June 5, 2017	35,000	-	-	-	35,000
$1.00	March 14, 2018	180,000	-	-	30,000	150,000
$0.08	March 14, 2018	220,200	-	-	-	220,200
$0.50	March 24, 2019	50,000	-	-	-	50,000
$0.08	March 26, 2020	3,503,500	-	74,500	-	3,429,000
$0.08	July 29, 2020	-	1,000,000	-	-	1,000,000
$0.08	September 28, 2020	-	250,000	-	-	250,000
$0.11	April 22, 2021	-	1,350,000	-	-	1,350,000
Options outstanding		**4,110,200**	**2,600,000**	**74,500**	**151,500**	**6,484,200**
Options exercisable		**4,110,200**				**6,284,200**
Weighted average exercise price, outstanding		$0.16	$0.10	$0.08	$0.90	$0.12
Weighted average exercise price, exercisable		$0.16	$0.10	$0.08	$0.90	$0.12
Weighted average remaining life in years, outstanding		4.55				3.92
Weighted average remaining life in years, exercisable		4.55				4.06

(c) Share Purchase Warrants

Share purchase warrants outstanding as at April 30, 2017 and 2016 were as follows:

Exercise Price	Expiry Date	Balance April 30, 2016	Issued	Exercised	Expired	Balance April 30, 2017
$0.50	September 13, 2016	703,015	-	-	703,015	-
$0.50	October 11, 2016	1,836,750	-	65,000	1,771,750	-
$0.08	March 4, 2020	2,217,407	-	958,112	-	1,259,295
$0.08	March 5, 2020	15,884,593	-	-	-	15,884,593
$0.08	March 11, 2020	1,810,000	-	-	-	1,810,000
$0.15	June 26, 2020	10,000,000	-	1,000,000	-	9,000,000
$0.08	March 4, 2021	7,716,000	-	1,716,000	-	6,000,000
$0.08	April 8, 2021	4,526,400	-	2,226,400	-	2,300,000
$0.15	May 19, 2021	-	11,072,000	2,009,500	-	9,062,500
		44,694,165	**11,072,000**	**7,975,012**	**2,474,765**	**45,316,388**
Weighted average exercise price		$0.12	$0.15	$0.11	$0.50	$0.11
Weighted average remaining life in years		4.01				3.34

(Expressed in Canadian Dollars)

10. Share Capital, continued

(c) Share Purchase Warrants, continued

Exercise Price	Expiry Date	Balance April 30, 2015	Issued	Exercised	Expired	Balance April 30, 2016
$1.00	January 31, 2016	845,200	-	-	845,200	-
$1.00	February 28, 2016	787,300	-	-	787,300	-
$0.50	September 13, 2016	703,015	-	-	-	703,015
$0.50	October 11, 2016	1,836,750	-	-	-	1,836,750
$0.08	March 4, 2020	2,335,407	-	118,000	-	2,217,407
$0.08	March 5, 2020	15,884,593	-	-	-	15,884,593
$0.08	March 11, 2020	1,810,000	-	-	-	1,810,000
$0.15	June 26, 2020	-	10,000,000	-	-	10,000,000
$0.08	March 4, 2021	-	7,716,000	-	-	7,716,000
$0.08	April 8, 2021	-	4,526,400	-	-	4,526,400
		24,202,265	**22,242,400**	**118,000**	**1,632,500**	**44,694,165**
Weighted average exercise price		$0.19	$0.11	$0.08	$1.00	$0.12
Weighted average remaining life in years		4.22				4.01

(d) Fair Value Determination

The weighted average fair value of stock options granted was $0.25 (2016 - $0.08) and finders warrants issued was $0.26 (2016 - $0.06).

Fair values were estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2017		2016	
	Options	**Warrants**	**Options**	**Warrants**
Risk-free interest rate	0.61%	0.75%	0.86%	0.70%
Expected share price volatility	128.60%	125.32%	126.74%	126.54%
Expected option/warrant life (years)	5.00	5.00	5.00	5.00%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

The expected volatility assumptions have been developed taking into consideration historical volatility of the Company's share price.

(Expressed in Canadian Dollars)

10. Share Capital, continued

(d) Fair Value Determination, continued

The total calculated fair value of share-based payments recognized was as follows:

		2017		2016
Consolidated Statements of Comprehensive Loss				
Directors and officers	$	283,221	$	133,643
Consultants		126,705		61,889
		409,926		195,532
Consolidated Statements of Changes in Equity				
Finders' warrants		18,550		13,774
Total	$	428,476	$	209,306

11. Segmented Information

The Company conducts its business as a single operating segment, being the acquisition and exploration of mineral properties.

As at April 30, 2017, the Company's non-current assets were located in the British Virgin Islands ($4,043,938) and in the United States of America ($90,820).

12. Prior Period

Certain prior period figures have been reclassified to conform to the current period presentation.

13. Supplemental Cash Flow Information

		2017		2016
Cash comprised of:				
Cash	$	1,444,386	$	743,910
Cash reserved for exploration expenditures		956,640		994,442
	$	2,401,026	$	1,738,352
Cash items				
Interest received	$	-	$	-
Income tax paid	$	-	$	-
Interest paid	$	-	$	-

(Expressed in Canadian Dollars)

14. Income Tax

A reconciliation of the income tax charge computed at statutory rates to the reported loss before taxes is as follows:

	2017	2016
Income tax benefit at statutory rate of 26.00% (2016 - 26.00%)	$ 684,187	$ 886,969
Permanent differences	(266,224)	(64,979)
Temporary differences	41,851	62,173
Change in timing differences	59,712	(405,146)
Foreign exchange gains or losses	191,486	177,935
Adjustment attributable to income taxes of other countries	12,963	114,185
Unused tax losses and tax offsets not recognized	(723,975)	(771,137)
	$ -	$ -

The tax effects of temporary differences that give rise to deferred income tax assets and liabilities are as follows:

	2017	2016
Deferred income tax assets		
Tax value over book value of non-capital losses	$ -	$ 775,871
	-	775,871
Deferred income tax liabilities		
Book value over tax value of mineral properties	$ -	$ (775,871)
Net deferred tax assets	$ -	$ -

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	2017	2016
Non-capital losses	$ 14,947,056	$ 27,177,849
Capital losses	53,597	53,597
Share issue costs	134,871	144,945
Tax value over book value of mineral properties	5,634,765	5,207,525
Tax value over book value of income tax credits	1,534	1,534
Tax value over book value of equipment	26,139	26,139
	$ 20,797,962	$ 32,611,589

(Expressed in Canadian Dollars)

14. Income Tax, continued

The Company's approximate unrecognized non-capital losses expire as follows:

	CDN $	US $	Mexican Pesos
2022	-	-	6,000
2023	-	-	504,000
2024	-	-	52,000
2026	830,000	-	-
2027	1,206,000	-	-
2028	1,142,000	2,000	-
2029	760,000	1,719,000	-
2030	1,035,000	11,000	-
2031	1,061,000	5,000	-
2032	1,565,000	4,000	-
2033	1,004,000	46,000	-
2034	886,000	241,000	-
2035	743,000	54,000	-
2036	724,000	54,000	-
2037	939,000	70,000	-
	11,895,000	2,206,000	562,000

15. Events After the Reporting Period

Other than events disclosed elsewhere in these consolidated financial statements, the following occurred subsequent to April 30, 2017:

- On June 5, 2017, a total of 35,000 stock options with an exercise price of $1.00 per share expired unexercised.

- On May 18, 2017, the Company engaged Gravitas Securities Inc. to complete a brokered private placement to issue up to 12,500,000 units at a price of $0.40 per unit for gross proceeds of $5,000,000. Each unit will consist of one common share and one transferable share purchase warrant, with each warrant exercisable to purchase one additional common share for a period of three years at an exercise price of $0.55 per share. The Company has an over-allotment option to offer up to that number of additional units as is equal to 15% of the number of units in the private placement, increasing the size of the private placement to a maximum of 14,375,000 units. If this option is exercised in full, an additional $750,000 will be raised and the aggregate gross proceeds will be $5,750,000.

  On June 13, 2017, the Company closed the first tranche of this private placement and issued 6,372,500 units for gross proceeds of $2,549,000.