(A Development Stage Enterprise)

Condensed Interim Financial Statements
For the nine months ended September 30, 2018

(Stated in Canadian Dollars)

Responsibility for Financial Statements

The accompanying financial statements for Metals Creek Resources Corp. have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") consistently applied. Only changes in accounting policies have been disclosed in these unaudited condensed interim financial statements. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the period ended September 30, 2018.

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

September 30, 2018 and 2017

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Prepared by Management)

As at	**September 30, 2018 $ (Unaudited)**	December 31, 2017 $ (Audited)
ASSETS		
Current		
Cash	**268,619**	85,546
Short term investments (notes 3 and 5)	**600,847**	1,254,807
Short term investments - restricted (note 5)	**91,559**	176,001
H.S.T. and other receivables	**25,844**	34,981
Staking security deposits (note 10)	**19,950**	16,300
Prepaid expenses	**9,979**	8,578
	1,016,798	1,576,213
Property and equipment (note 4)	**24,852**	31,861
Long term investments (note 6)	**822,407**	858,115
Exploration and evaluation assets (note 7)	**5,788,250**	5,434,217
	7,652,307	7,900,406
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities (note 9)	**46,054**	55,562
Deferred premium on flow-through shares (note 8(vi))	**15,260**	21,074
	61,314	76,636
Equity		
Share Capital (note 8)	**13,437,658**	13,310,006
Reserves (note 8)	**7,369,049**	7,193,440
Deficit	**(13,215,714)**	(12,679,676)
	7,590,993	7,823,770
	7,652,307	7,900,406

Nature and Continuance of Operations – Note 1
Subsequent Events – Notes 7(d) and 7(f)

These financial statements are authorized for issue by the Board of Directors on November 23, 2018. They are signed on the Corporation's behalf by:

"Alexander Stares" Director

"Nick Tsimidis" Director

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Prepared by Management – Unaudited)

	Three Months Ended Sept. 30, 2018 $	Three Months Ended Sept. 30, 2017 $	Nine Months Ended Sept. 30, 2018 $	Nine Months Ended Sept. 30, 2017 $
EXPENSES				
Business development	14,448	36,150	59,969	114,490
Depreciation	2,336	3,154	7,008	9,464
Office and general	28,160	27,449	81,536	79,862
Professional fees (note 9)	24,003	16,717	54,639	41,361
Salaries and benefits	70,469	65,888	223,579	232,227
Share-based payments (note 8(iii))	8,354	12,648	77,377	85,158
Write-down of exploration and evaluation assets	-	3,756	5,958	92,247
Pre-acquisition exploration and evaluation expenses	19,839	11,686	77,847	53,173
Part XII.6 Tax Recovery	-	-	-	(4,351)
Adjustment to fair value for fair value through profit and loss investments	(207,740)	61,512	158,527	107,418
	40,131	(238,960)	(746,440)	(811,049)
Income (loss) before the following:	40,131	(238,960)	(746,440)	(811,049)
Gain on sale of investments	30,000	-	30,000	-
Gain on sale or option of exploration and evaluation assets, net	110,875	3,045	133,375	274,845
Interest and investment income	2,772	3,452	10,380	11,769
Income (loss) before deferred tax recovery	183,778	(232,463)	(572,685)	(523,737)
Deferred tax recovery – flow-through (notes 8(vi))	15,573	-	36,647	-
Income (loss) and comprehensive income (loss) for the period	199,351	(232,463)	(536,038)	(523,737)
Income (loss) per share – basic and diluted (note 12)	0.00	(0.00)	(0.01)	(0.01)
Weighted Average Shares Outstanding – basic and diluted	59,858,356	44,946,269	57,465,815	44,946,269

The accompanying notes form an integral part of these financial statements

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Prepared by Management – Unaudited)
For the nine months ended September 30, 2018 and 2017

	Share Capital		Reserves			
	Number of Shares #	Share Capital $	Warrants $	Equity Settled Benefits $	Deficit $	Total
Balance at December 31, 2016	**44,946,269**	**12,930,736**	**1,475,569**	**5,356,566**	**(12,622,746)**	**7,140,125**
Share-based payments	-	-	-	85,158	-	85,158
Expiration of warrants	-	-	(114,392)	114,392	-	-
Loss and comprehensive loss for the period	-	-	-	-	(523,737)	(523,737)
Balance at September 30, 2017	**44,946,269**	**12,930,736**	**1,361,177**	**5,556,116**	**(13,146,483)**	**6,701,546**
Balance at December 31, 2017	**56,262,935**	**13,310,006**	**1,563,812**	**5,629,628**	**(12,679,676)**	**7,823,770**
Share-based payments	-	-	-	77,377	-	77,377
Issued for cash:						
Private placement	4,883,333	176,768	98,232	-	-	275,000
Share issue costs	-	(18,283)	-	-	-	(18,283)
Flow-through share premium (note 8(vi))	-	(30,833)	-	-	-	(30,833)
Expiration of warrants	-	-	(529,122)	529,122	-	-
Loss and comprehensive loss for the period	-	-	-	-	(536,038)	(536,038)
Balance at September 30, 2018	**61,146,268**	**13,437,658**	**1,132,922**	**6,236,127**	**(13,215,714)**	**7,590,993**

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS CASH FLOWS
(Prepared by Management – Unaudited)

	Nine Months Ended Sept. 30, 2018 $	Six Months Ended Sept. 30, 2017 $
CASH FLOWS FROM (USED IN):		
OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	(536,038)	(523,737)
Deferred tax recovery – flow-through	(36,647)	-
Depreciation	7,008	9,464
Share-based payments	77,377	85,158
Adjustment to fair value for fair value through profit and loss investments	158,527	107,418
Write-down of exploration and evaluation assets	5,958	92,247
Gain on sale of long term investments	(30,000)	-
Decrease in H.S.T. and other receivables	9,137	106,802
Decrease (increase) in prepaid expenses	(1,401)	5,424
Increase (decrease) in accounts payable and accrued liabilities	(9,508)	96,126
Cash flows used in operating activities	(355,587)	(21,098)
FINANCING ACTIVITIES		
Issuance of capital stock for cash	275,000	-
Share issue costs – cash commissions and expenses	(18,283)	-
Redemption of short term investments	739,834	666,446
Cash flows from financing activities	996,551	666,446
INVESTING ACTIVITIES		
Increase in staking security deposits	(3,650)	(10,550)
Expenditures on exploration and evaluation assets	(482,866)	(370,001)
Net proceeds on sale of long term investments	52,000	-
Grants received on exploration and evaluation assets	100,000	14,258
Gain on sale of exploration and evaluation assets	(133,375)	(274,845)
Proceeds on sale of exploration and evaluation assets	10,000	13,045
Acquisition of property and equipment	-	(2,417)
Cash flows used in investing activities	(457,891)	(630,510)
Increase (decrease) in cash	183,073	14,838
Cash – beginning of period	85,546	61,649
Cash – end of period	268,619	76,487

Supplemental cash flow information (note 11)

The accompanying notes form an integral part of these financial statements

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
September 30, 2018
(Prepared by Management – Unaudited)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Metals Creek Resources Corp. (the "Company") was incorporated on June 21, 2004 under the Business Corporations Act (Ontario). The Company's head office is located at 945 Cobalt Crescent, Thunder Bay, Ontario, Canada, P7B 5Z4.

The Company is an exploration stage company, and is in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The accompanying financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital. Specifically, the recovery of the Company's investment in exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop its properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has working capital in the amount of $970,744 (December 31, 2017- $1,499,577) and has a deficit in the amount of $13,215,714 (December 31, 2017 - $12,679,676). The Company has not earned any significant revenues to date and is considered to be in the exploration stage.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB ("International Accounting Standards Board") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 - Interim Financial Reporting. The accounting policies followed in these condensed interim financial statements are the same as those applied in the Company's audited annual financial statements for the year ended December 31, 2017.

The policies applied in these financial statements are based on IFRS issued and outstanding as of November 23, 2018, the date the Board of Directors approved the statements. Any subsequent changes to IFRS after this date could result in changes to the financial statements for the year ended December 31, 2018.

The condensed interim financial statements do not contain all disclosures required under IFRS and should be read in conjunction with Company's audited annual financial statements and the notes thereto for the year ended December 31, 2017.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

3. SHORT TERM INVESTMENTS:

	September 30, 2018 $	December 31, 2017 $
Money Market Mutual Funds	692,406	1,430,808
Less: Portion restricted for flow-through purposes (note 5)	(91,559)	(176,001)
Short term investments, net	600,847	1,254,807

These funds are available for exploration and evaluation expenditures and operations upon the request of the Company.

The money market mutual funds consist of fully liquid, managed money market fund units that yield regular monthly dividends at market rates.

4. PROPERTY AND EQUIPMENT

	Cost	Acc. Depr.	Sept. 30, 2018 Net
Computer equipment	$ 27,886	$ 26,493	$ 1,393
Furniture and fixtures	13,467	12,084	1,383
Computer software	63,020	63,020	-
General equipment	33,028	27,547	5,481
Automobile	66,047	49,452	16,595
Leasehold improvements	4,812	4,812	-
	$ 208,260	$ 183,408	$ 24,852

	Cost	Acc. Depr.	Dec. 31, 2017 Net
Computer equipment	$ 27,887	$ 25,514	$ 2,373
Furniture and fixtures	13,467	11,840	1,627
Computer software	63,020	63,020	-
General equipment	33,028	26,580	6,448
Automobile	66,047	44,634	21,413
Leasehold improvements	4,812	4,812	-
	$ 208,261	$ 176,400	$ 31,861

5. RESTRICTION ON THE USE OF CASH AND CASH EQUIVALENTS

During the nine month period ended September 30, 2018 and year ended December 31, 2017, the Company issued common shares that were designated as being flow-through shares. One of the conditions of issuing flow-through shares is that the Company is required to retain the gross proceeds for the exclusive purpose of paying for qualified Canadian exploration expenditures associated with its exploration and evaluation assets.

	September 30, 2018	December 31, 2017
Restricted short term investments, beginning of period	$ 176,001	$ 573,495
Gross proceeds received upon issuance of flow-through shares	185,000	212,000
Qualified exploration expenditures paid from these funds	(269,442)	(609,494)
Restricted short term investments, end of period	$ 91,559	$ 176,001

6. LONG TERM INVESTMENTS

	September 30, 2018		December 31, 2017	
	Market $	Cost $	Market $	Cost $
Canadian Equities				
Spruce Ridge Resources Ltd. (i)	10,000	56,250	7,500	56,250
Americas SilHe(ica4Tm[C)4((u)6([Se(C)4				

September 30, 2018 closing price of $0.24 per share (December 31, 2017 - $0.10 for 100,000 pre-share consolidation shares). The shares of Anaconda trade on the TSX Exchange under the symbol “ANX”.

(viii) During the 2016 fiscal year, the Company optioned its Squid East and West properties located in the Yukon to Trifecta Gold Ltd. (‘Trifecta”). During the 2017 year, Trifecta terminated the option agreement and returned the property to the Company. The 1 million shares received during the 2017 fiscal year are valued at the September 30, 2018 closing price of $0.07 per share (December 31, 2017 - $0.11). Trifecta shares trade on the TSX Venture Exchange under the symbol “TG”. See Note 7(c) for additional details.

(ix) The 4 million shares of Quadro Resources Ltd. (“Quadro”) are listed on the TSX Venture Exchange under the symbol “QRO” and are valued at the September 30, 2018 closing price of $0.045 per share (December 31, 2017 - $0.12). The shares were received pursuant to the Company’s disposition of its 50% interest in the Staghorn gold project in Newfoundland.

7. EXPLORATION AND EVALUATION ASSETS

Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold, impaired or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production, or written-down if the properties are allowed to lapse, are impaired, or are abandoned. The deferred costs associated with each property for the nine month period ended September 30, 2018 and year ended December 31, 2017 is summarized in the tables below:

For the nine months ended September 30, 2018

		Flint Lake (a)	Ogden (b)	Yukon (c)	Other (f)	Total
Dec. 31, 2017 - Acquisition Costs	$	1,076	481,265	-	8,495	490,836
Additions		1,155	385	-	34,633	36,173
Writedowns/Recoveries		-	-	-	(387)	(387)
Subtotal	$	1,155	385	-	34,246	35,786
Sept. 30, 2018- Acquisition Costs	$	**2,231**	**481,650**	**-**	**42,741**	**526,622**
Dec. 31, 2017 - Exploration and Evaluation Expenditures	$	62,198	4,853,176	-	28,007	4,943,381
Assaying		1,004	18,868	-	2,692	22,564
Prospecting		1,230	-	-	36,914	38,144
Geological		16,422	6,234	-	18,658	41,314
Geophysical		-	1,076	-	55,932	57,008
Linecutting		-	-	-	19,158	19,158
Trenching		9,430	-	-	-	9,430
Diamond Drilling		-	253,363	-	-	253,363
Aboriginal Consultation		2,579	-	-	-	3,133
Miscellaneous		-	2,152	-	981	2,579
Writedowns/Recoveries		-	(100,000)	-	(28,446)	(128,446)
Subtotal	$	30,655	181,693	-	105,889	318,247
Sept. 30, 2018 - Exploration and Evaluation Expenditures	$	**92,863**	**5,034,869**	**-**	**133,896**	**5,261,628**
Sept. 30, 2018 - Total	$	**95,094**	**5,516,519**	**-**	**176,637**	**5,788,250**

For the year ended December 31, 2017

		Flint Lake (a)	Ogden (b)	Yukon (c)	Staghorn (e)	Other (f)	Total
Dec. 31, 2016 - Acquisition Costs	$	-	463,679	230	-	1,863	465,772
Additions		1,076	17,586	-	225	9,058	27,945
Writedowns/Recoveries		-	-	(230)	(225)	(2,426)	(2,881)
Subtotal	$	1,076	17,586	(230)	-	6,632	25,064
Dec. 31, 2017- Acquisition Costs	$	**1,076**	**481,265**	**-**	**-**	**8,495**	**490,836**
Dec. 31, 2016 - Exploration and Evaluation Expenditures	$	68,172	4,390,719	1,345	-	13,932	4,474,168
Assaying		7,670	14,875	-	-	1,954	24,499
Prospecting		20,437	2,926	-	1,810	10,562	35,735
Geological		34,870	38,359	-	3,045	1,941	78,215
Geophysical		-	800	-	-	-	800
Trenching		21,188	11,560	-	-	3,198	35,946
Diamond Drilling		-	393,937	720	-	673	395,330
Aboriginal Consultation		4,514		-	-	-	4,514
Miscellaneous		-	-	-	1,208	-	1,208
Writedowns/Recoveries		(94,653)	-	(2,065)	(6,063)	(4,253)	(107,034)
Subtotal	$	(5,974)	462,457	-	-	14,075	469,213
Dec. 31, 2017 - Exploration and Evaluation Expenditures	$	**62,198**	**4,853,176**	**-**	**-**	**28,007**	**4,943,381**
Dec. 31, 2017 - Total	$	**63,274**	**5,334,441**	**-**	**-**	**36,502**	**5,434,217**

a. <u>Flint Lake Gold Property</u>

In 2007, the Company acquired an option on the Flint Lake Gold project which is located approximately 40 km east of Kenora, Ontario and consists of 14 claims totaling 160 units. The Company entered into an option agreement with Endurance Gold Corp. whereby under the initial option the Company could earn a 70% interest in the property by making share payments totaling 400,000 shares (completed in 2008) and completing work commitments of $200,000 on the property (completed). The Company exercised a second option to earn a further 5% in the property by issuing a further 50,000 common shares (completed in 2008) and spent an additional $250,000 on the property (completed). The Company has now earned a 79.7% interest and a joint venture has been formed on a 79.7% (the Company) and 20.3% (Endurance Gold Corp.) basis. The Company presently has limited planned exploration activity on the project and has written off exploration and evaluation expenditures totaling nil (December 31, 2017 - $94,653) during the period. The Company also received a grant in the 2017 fiscal year from the Northern Ontario Heritage Fund as administered by the Ontario Prospector's Association in the amount of $14,258 for work completed at the project in 2016. The grant was recorded as a recovery of costs in the 2017 deferred exploration and evaluation assets.

b. <u>Ogden</u>

During 2008, the Company entered into an agreement with Goldcorp Canada Ltd. ("Goldcorp") to jointly explore Goldcorp's mining claims located in Ogden and Deloro Townships, located six kilometres south of Timmins, Ontario. The property consists of 84 patented and unpatented claims totaling approximately 1,184 hectares (the "Property"). The agreement allows for the Company to earn 50% of Goldcorp's interest in the venture with the Company, or elect to earn an additional 15% by paying the Company cash of $50,000 and issuing 3,500,000 Trifecta shares within 60 days of the third anniversary date as well as incur an additional $1 million in work expenditures by the fourth anniversary.

During the year ended December 31, 2017, Trifecta terminated the option and returned the property to the Company.

During the period ended September 30, 2018, the Company optioned the property to Manning Ventures Inc. ("Manning"). Under the terms of the agreement, Manning has the option to acquire a 75% interest in the property by making cash payments to the Company of $65,000 over two years ($35,000 due upon Canadian Securities Exchange ("CSE") listing), issue to the Company a total of 1,200,000 Manning common shares over two years (600,000 due upon CSE Listing) and incur work expenditures of $1,150,000 over four years ($50,000 by December 31, 2019). Manning will be the operator during the option period. The transaction is subject to approval of the proposed listing of Manning Ventures Inc. on the CSE. The transaction cannot close until the listing has been completed and there can be no assurance that the transaction will be completed as proposed or at all.

d. Jackson's Arm

The Jackson's Arm property consists of 53 staked claim units totaling 1,325 hectares and is located in north-central Newfoundland. The Company owns a 100% interest in the project.

During the 2016 year, the Company entered into an option agreement, (the "Jackson's Arm Agreement") with Anaconda Mining Inc. ("Anaconda"), whereas Anaconda has the right to acquire a 100% undivided interest in the Company's Jackson's Arm property. To earn a 100% interest in the Jackson's Arm property, Anaconda is required to make aggregate payments to the Company of $200,000 in cash ($60,000 received), and issue 125,000 common shares (post 1 for 4 share consolidation that occurred during the current period) of Anaconda (37,500 shares received) over a three-year period. The Jackson's Arm Agreement provides for a two percent (2%) net smelter returns royalty ("NSR") to the Company on the sale of gold bearing mineral products from the Jackson's Arm property. The NSR is capped at $1,500,000, after which, the NSR will be reduced to one percent (1%). Anaconda is required to spend a total of $750,000 in qualified exploration expenditures on the Jackson's Arm property during the option period. Subsequent to the period ended September 30, 2018, Anaconda paid $60,000 cash and issued 37,500 shares to the Company pursuant to the terms of the Jackson's Arm Agreement.

e. Staghorn

During 2008, the Company entered into an agreement with a group of prospectors to earn a 100% interest in a group of 76 claim units spread over 1,216 hectares in the Wood Lake area in west central Newfoundland subject to a 2% Net Smelter Royalty, 50% of which can be purchased for $1,000,000.

The Company determined that it would not be conducting any further work on the property and wrote off $5,613 (December 31, 2016 - $2,775) in deferred exploration and evaluation expenditures during the period as the project is being funded under option as discussed below.

During 2014, the Company executed an Option/Joint Venture agreement on the Staghorn project with Benton Resources Inc. ("Benton") (a company related to the Company by common directorships) whereby Benton can earn up to a 70% interest in Staghorn. Pursuant to the agreement, Benton can earn an initial 60% interest by making cash payments totaling $50,000 ($30,000 received to date), issuing a total of 500,000 shares of Benton (350,000 received to date) and incurring work expenditures totaling $500,000 (completed), all over a three year period. Benton will be the operator during the earn-in period. Once a 60% interest is earned by Benton, either a 60/40 joint venture will be formed, or Benton may elect to earn an additional 10% interest to bring its total property interest to 70% by paying $50,000 cash and issuing an additional 500,000 Benton shares within 60 days of the 3rd anniversary date and incurring an additional $500,000 in exploration expenditures by the 5th anniversary date.

During the year ended December 31, 2017, the Company and Benton jointly agreed to set their respective interest in the project at 50%/50% and option the project to Quadro Resources Ltd. ("Quadro") whereby Quadro will be provided with the option to acquire a 100% interest (the "Quadro Option") in the Company and

Benton's Staghorn property and all rights to their newly optioned Rose Gold property (the Rose Gold property is contiguous with the northern border of the Staghorn property). Under the terms of the Quadro Option Agreement, Quadro must complete a 2:1 share consolidation, settle certain outstanding debts and payables, complete no less than a $1 million financing, and issue 4,000,000 common shares (post-consolidation) to each of Metals Creek and Benton (received). Quadro must also assume all their obligations under the Rose Gold property option, for which the optionor has agreed to accept common shares of Quadro in lieu of the 225,000 common shares of Metals Creek and 225,000 common shares of Benton (450,000 shares combined) originally negotiated. The Quadro Option Agreement will be subject to a royalty to be granted in favor of Metals Creek and Benton (the "Metals Creek/Benton Royalty"), as well as existing royalties held by Ed Northcott and Gilbert Lushman (the "Northcott/Lushman Royalty"), and by Shawn Rose (the "Rose Royalty"), all as outlined below:

- The Metals Creek/Benton Royalty represents a 3km area of interest that is subject to a 3% NSR in favour of Metals Creek/Benton, 2% of which can be purchased at any time for $2 million;
- The Northcott/Lushman Royalty represents a 3km area of interest that is subject to: (i) a 2% NSR in favour of Ed Northcott and Gilbert Lushman, 1% of which can be purchased at any time for $1 million; and (ii) a 1% NSR in favour of Metals Creek/Benton; and
- The Rose Royalty the together with a 1km area of interest is subject to: (i) a 2% NSR in favour of Shawn Rose, 1% of which can be purchased at any time for $1 million; and (ii) a 1% NSR in favour of Metals Creek/Benton

f. <u>Other Properties</u>

Included in Other Properties (located in Ontario and Newfoundland) are the Tilt Cove; Tally Pond; Feagan Lake; Mealy Intrusion; Victoria Lake and Clarks Brook, Rogerson Lake, Rose Gold, Wabigoon West, Great Brehat, North Tip, Triangle Point and Garrison properties. During the period ended September 30, 2018 the Company incurred $77,847 (September 30, 2017: $53,173) in pre-acquisition exploration and evaluation costs which were included in expenses for the period. In addition, due to no current work plans, the Company wrote off exploration and evaluation expenditures totaling $5,958 (September 30, 2017 - $92,247) during the period related to other properties.

Mealy Intrusion/Senecal Lake Property

During 2014, the Company sold two claim blocks totaling 210 claim units in southwest Labrador known as the Senecal Lake Property ("SL") to White Metal Resources Corp., ("WHM") (formerly Trillium North Minerals Ltd.) a company associated by common directorship. Pursuant to the sale, WHM issued 500,000 common shares for a 100% ownership interest (received)

Rose Gold

During the year ended December 31, 2017, the Company and Benton announced that they have jointly executed a letter of intent (the "Agreement") with a Newfoundland prospector pursuant to which the Company and Benton have been granted the option to acquire a 100% interest (50% each) in 22 claim units (the "Property") located in the Victoria Lake area, Central Newfoundland.

Under the Agreement, Metals Creek and Benton will make staged payments to the Vendor totaling $45,000 ($5,000 on signing) and issue 425,000 common shares (50,000 on signing) over a three year period. All cash and share payments will be split 50% Metals Creek and 50% Benton. The Vendor will retain a 2% net smelter return ("NSR") on the Property. Metals Creek / Benton will have the right to buy back 1% of the NSR for $1,000,000. This transaction is subject to TSX Venture Exchange approval as well as a due diligence period expiring June 15, 2017. The optioned property has been included in the Quadro Option as described in Note 7(e) above.

Clarks Brook

During the year ended December 31, 2017, the Company executed a Letter of Intent ("LOI") with Sokoman Iron Corp. ("Sokoman") whereby Sokoman can earn up to a 100% interest in the Clarks Brook gold property located in central Newfoundland. To earn an initial 75% interest, Sokoman must make cash payments of $45,000 over a three year period and issue a total of 3 million Sokoman common shares over three years (500,000 received) and incur expenditures of $800,000 over three years ($100,000 by the first anniversary). Sokoman will be the operator during the earn-in period. Once a 75% interest is earned by Sokoman, either a 75%/25% joint venture will be formed, or Sokoman may elect to earn an additional 25% interest (to bring interest to 100%) by paying an additional $100,000 and issuing a further 2 million Sokoman common shares within 60 days of the third anniversary date. During the period ended September 30, 2018, Sokoman issued 750,000 shares to the Company pursuant to the terms of the Clarks Brook LOI and the Company accrued $10,000 related to the cash portion of the option payment that was received in the subsequent period. The payment was recorded as an offset to the remaining deferred exploration and evaluation costs related to the project with the remainder being recorded in the gain on sale or option of exploration and evaluation assets at September 30, 2018.

Garrison

During the period ended June 30, 2018, the Company executed a Letter of Intent ("LOI") to acquire 10 Patented Mining Claims (The Patents) in Garrison Township approximately 35 kms north- northeast of Kirkland Lake, Ontario. The patents are contiguous with Osisko Mining to the west, south and east and contiguous with Kirkland Lake Gold to the north.

Metals Creek can earn a 100% interest in the patents by making cash payments totaling $310,000 over a period of 4 years following the execution of the LOI ($30,000 subsequently paid). The vendors will retain a 2% NSR which the Company can purchase 1% for $1 million.

Great Northern Peninsula – Lead/Silver Project

During the period ended September 30, 2018, the Company entered into an option agreement with Quadro Resources Inc. ("Quadro"), whereby Quadro can earn the Company's 33.33 percent interest it the new claims that were jointly staked on Newfoundland's Great Northern Peninsula. To acquire the Company's one-third interest, Quadro will issue to the Company a total of 1,000,000 shares according to the following schedule:

- 200,000 Quadro common shares on signing;
- 300,000 Quadro common shares within six months of approval date; and
- 500,000 Quadro common shares within eighteen months of approval date

The Company will retain a 1.0% Net Smelter Return (NSR) royalty on any future mineral production from the claims. Quadro will have the right to purchase 50% of the NSR from the Company for $500,000.

8. CAPITAL AND RESERVES

i. Share Capital

At September 30, 2018, the authorized share capital comprised an unlimited number of common shares and an unlimited number of preferred shares.

To date, no preferred shares have been issued.

ii. Share Purchase Warrants

Details of share purchase warrant transactions for the period ended September 30, 2018 and year ended December 31, 2017 are as follows:

	# of Warrants	Amount $	Wtd. Avg. Ex. Price
Balance, December 31, 2016	21,932,466	1,475,569	$0.16
Issued pursuant to private placements (note 8(vi))	9,991,666	250,832	$0.12
Finders warrants pursuant to above	583,916	24,557	$0.12
Expired during the year	(2,787,400)	(187,146)	$0.15
Balance, December 31, 2017	29,720,648	1,563,812	$0.15
Issued pursuant to private placements (note 8(vi))	3,561,666	98,232	$0.10
Expired during the period	(4,383,866)	(529,122)	$0.18
Balance, September 30, 2018	28,898,448	1,132,922	$0.14

For purposes of the warrants granted, the fair value of each warrant was estimated on the date of grant using an option pricing model, using the assumptions noted in note 8(vi).

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.

The following table summarizes information about the warrants outstanding at September 30, 2018 and December 31, 2017:

Expiry Dates	Exercise Price	September 30, 2018 # of Warrants	December 31, 2017 # of Warrants
April 22, 2018	$0.18	-	2,466,666
May 12, 2018	$0.18	-	1,917,200
August 19, 2019	$0.10	1,061,200	1,061,200
August 19, 2019	$0.16	13,700,000	13,700,000
July 25, 2020	$0.10	3,561,666	-
October 24, 2020	$0.12	8,692,250	8,692,250
November 23, 2020	$0.12	1,883,332	1,883,332
		28,898,448	29,720,648

iii. Stock Options

Details of stock option transactions for the period ended September 30, 2018 and year ended December 31, 2017 are as follows:

	# of Options	Wtd. Avg. Ex. Price
Balance, December 31, 2016	4,179,289	$0.17
Granted during the year	100,000	$0.10
Expired during the year	(442,858)	$0.23
Balance, December 31, 2017	3,836,431	$0.16
Granted during the period	1,000,000	$0.10
Expired during the period	(315,716)	$0.55
Balance, September 30, 2018	4,520,715	$0.12

The following table summarizes information about the options outstanding at June 30, 2018 and December 31, 2017:

Expiry Dates	Exercise Price	June 30, 2018 # of Options	December 31, 2017 # of Options
July 2017	$0.91	-	-
August 2018	$0.70	-	237,145
October 2019	$0.49	160,715	164,286
March 2021	$0.11	1,260,000	1,285,000
July 2021	$0.12	850,000	875,000
August 2021	$0.16	-	-
September 2021	$0.10	1,150,000	1,175,000
March 2022	$0.10	100,000	100,000
January 2023	$0.10	1,000,000	-
		4,520,715	3,836,431

The Company applies the fair value method of accounting for share-based payments using an option pricing model.

Stock options granted to directors, officers, employees and consultants vested during the period ended September 30, 2018 are as follows:

Grant Date	# of Options	Exercise Price	Expiry Date
March 2, 2017	5,571	$0.10	March 2, 2022
January 8, 2018	908,676	$0.10	January 8, 2023
	914,247		

The Company has calculated $77,377 as share-based payments expense and under capital stock as reserves for the 815,496 options vesting to directors, officers and employees and consultants during the period:

- For the 5,571 options vesting from the March 2, 2017 grant, the fair value of each vested option is $0.0902 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 174%, a risk-free interest rate of 1.06% and an expected life of approximately 5 years.

- For the 908,676 options vesting from the January 8, 2018 grant, the fair value of each vested option is $0.0846 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 169%, a risk-free interest rate of 1.98% and an expected life of approximately 5 years.

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.

iv. Stock Option Plan

The Company has a Stock Option Plan (the "Plan") for directors, officers, employees and consultants. The Plan authorizes the granting of options to purchase up to a maximum of 6,114,626 common shares of which 4,520,715 are outstanding at September 30, 2018. The Plan provides that:

- any options granted pursuant to the Plan shall expire no later than five years after the date of grant;
- any options granted pursuant to the Plan shall be non-assignable and non-transferable;
- the number of common shares issuable pursuant to the Plan to any one person in any 12 month period shall not exceed 5% of the outstanding common shares;
- the number of common shares issuable pursuant to the Plan to any one consultant in any 12 month period may not exceed 2% of the outstanding common shares;
- the number of common shares issuable pursuant to the Plan to persons employed in technical consulting activities may not exceed 2% of the outstanding common shares in any 12 month period.
- the Plan provides that options shall expire and terminate 90 days following the date the optionee ceases to be an employee, director or officer of, or consultant to, the Company, provided that if such termination is as a result of death of the optionee, the optionee's personal representative shall have one year to exercise such options.
- the maximum number of common shares which may be reserved and set aside for issue under Plan is equal to up to 10% of the issued and outstanding common shares, provided that the Board may, subject to Shareholder and regulatory approvals, increase such number.
- the Plan provides that options granted under the plan shall vest in the optionee, and may be exercisable by the optionee as follows: (1) 1/3 on the date of granting; (2) 1/3 six months from the date of granting; and (3) 1/3 twelve months from the date of granting.

v. Shareholder Rights Plan

The Company has adopted a shareholder rights plan (the "Rights Plan") to ensure the fair treatment of all Company shareholders in connection with any take-over bid for the outstanding common shares of the Company. The Rights Plan will provide the Company's shareholders with adequate time to properly evaluate and assess a take-over bid without facing undue pressure or coercion. The Rights Plan also provides the board of directors of the Company with additional time to consider any take-over bid and, if applicable, to explore alternative transactions in order to maximize shareholder value.

Pursuant to the Rights Plan, any bid that meets certain criteria intended to protect the interests of all shareholders are deemed to be "Permitted Bids". A Permitted Bid must be made by way of a take-over bid circular prepared in compliance with applicable securities laws and, in addition to certain other conditions, must remain open for 60 days. In the event a take-over bid does not meet the Permitted Bid requirements of the Rights Plan, the rights issued under the plan will entitle shareholders, other than any shareholder or shareholders involved in the take-over bid, to purchase additional common shares of the Company at a significant discount to the market price of the common shares at that time.

vi. Private Placements

During the period ended September 30, 2018, the Company completed a private placement for aggregate gross proceeds of $275,000 consisting of 1,800,000 non-flow through units at a price of $0.05 per unit, each unit consisting of one common share and one common share purchase warrant exercisable at $0.10 for 24 months following the issuance date and 3,083,333 flow-through units at a price of $0.06 per unit, each unit consisting of one flow-through common share and one half of one common share purchase warrant, each whole warrant exercisable at $0.10 for 24 months following the issuance.

Arm's length third parties assisting in the private placement were paid cash a 6% commission totalling $9,900 and broker warrants equal to 8% of placed securities, totaling 220,000 warrants, each broker warrant entitling the holder to acquire one common share of the Corporation for $0.10 for a period of 24 months following the issuance date of the units.

During the year ended December 31, 2017, the Company completed the following private placements:

- The Company completed a private placement in two tranches by issuing a total of 2,650,000 flow-through units at $0.08 per unit, each unit consisting of one flow-through common share and one half of one common share purchase warrant, each whole warrant entitling the holder thereof to acquire one common share of the Company at a price of $0.12 for a period of 24 months following the closing. In addition, the Company issued 8,666,666 units at $0.06 per unit, each unit consisting of one common share and one share purchase warrant, each warrant entitling the holder thereof to acquire one common share of the Company at a price of $0.12 for a period of 24 months following the closing. Total gross proceeds received in the private placement were $732,000.

  The fair value of the 10,575,582 common share purchase warrants received by investors and finders have been estimated at $275,389 using the Black-Scholes option pricing model for the following assumptions: dividend yield of 0%, expected volatility of 141-142%, a risk-free interest rate of 1.5%-1.53%, and an expected life of 2 years.

  In connection with the private placement, the Company issued 583,916 finders warrants (included above) having the same terms as the warrants issued in the private placement and described above and in addition, paid finders' fees and other commissions equal to $36,235

9. RELATED PARTY TRANSACTIONS

The Company paid or accrued the following amounts to related parties during the nine month period ended September 30, 2018 and 2017:

Payee	Description of Relationship	Nature of Transaction	September 30, 2018 Amount ($)	September 30, 2017 Amount ($)
Stares Prospecting Ltd.	Company controlled by Alexander Stares, Director and Officer	Payments for field services and equipment rentals capitalized in deferred development expenditures	1,275	375
Eastrock Exploration/ Wayne Reid	Company controlled by Wayne Reid, Director and Officer	Payments for geological consulting services and reimbursement of expenses	21,600	21,600
Michael Stares	Director	Payments for field consulting services	-	400
Nick Tsimidis	Director and Officer	Payments for consulting fees	12,000	13,000

The purchases from/fees charged by related parties are in the normal course of operation and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Included in accounts payable and accrued liabilities at September 30, 2018 is:

- $1,208 payable to Stares Prospecting Ltd., (September 30, 2017: $nil) (inclusive of HST)
- $2,760 payable to Eastrock Exploration Inc., (September 30, 2017: $2,760) (inclusive of HST)
- $6,396 payable to Nick Tsimidis, (September 30, 2017: $6,396) (inclusive of HST)

During the period ended September 30, 2018 the Company recovered nil in wages from a company related by common directorships for the use of the Company's field geological personnel (September 30, 2017 - $5,438)

Key management personnel remuneration during the period ended September 30, 2018 included $241,456 (September 30, 2017- $239,227) in salaries and benefits and $30,750 (September 30, 2017 - $48,947) in share-based payments. There were no post-retirement or other long-term benefits paid to key management personnel during the period.

10. STAKING SECURITY DEPOSITS

Staking security deposits of $19,950 (December 31, 2017 – $16,300) represents security amounts paid to the Government of Newfoundland and Labrador in connection with mineral property claims located in the Province of Newfoundland. These staking security deposits are refundable to the company upon submission by the company of a report covering the first year work undertaken which meets the requirements of the Government of Newfoundland and Labrador.

11. SUPPLEMENTAL CASH FLOW INFORMATION

The following transactions did not result in cash flows and have been excluded from operating, financing and investing activities:

	September 30, 2018 $	September 30, 2017 $
Non-cash financing activities		
Fair value of warrants issued	98,232	-
Non-cash investing activities		
Shares received for exploration and evaluation assets	146,250	263,375

12. LOSS PER SHARE

Basic loss per common share has been calculated using the weighted average number of common shares outstanding in each respective period. As the issue of shares upon the exercise of stock options and warrants would be anti-dilutive, diluted loss per common share is equivalent to basic loss per common share.