EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

For the years ended
December 31, 2018 and 2017

Crowe

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Independent Auditor's Report

To the Shareholders of Eagle Plains Resources Ltd.

Opinion

We have audited the consolidated financial statements of Eagle Plains Resources Ltd. ("the Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and December 31, 2017 and the consolidated statements of comprehensive income (loss), changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Diana Huang.

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
April 26, 2019

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

As at December 31	**2018**	2017
Assets		
Current		
Cash and cash equivalents	**$2,931,285**	$3,199,060
Accounts receivable (Notes 4 and 10)	**415,188**	256,060
Prepaid expenses	**28,176**	18,450
Investments (Note 5)	**1,506,948**	939,533
Mineral exploration tax credits recoverable	**9,226**	104,461
	4,890,823	4,517,564
Investment in and advances to related company (Note 10)	**-**	20,020
Reclamation bonds (Note 11)	**60,100**	59,736
Property and equipment (Note 6)	**1,367,708**	1,264,146
Exploration and evaluation assets (Note 7)	**1,163,746**	1,040,871
	$7,482,377	$6,902,337
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accrued liabilities (Note 10)	**$127,852**	$ 365,328
Prepaid deposits	**89,959**	79,793
Premium on flow-through shares	**1,132**	-
	218,943	445,121
Shareholders' equity		
Share capital (Note 8)	**23,075,407**	21,933,313
Contributed surplus (Note 8)	**4,478,073**	4,376,545
Accumulated other comprehensive income	**-**	380,782
Deficit	**(20,290,046)**	(20,233,424)
	7,263,434	6,457,216
	$7,482,377	$6,902,337

Nature and continuance of operations (Note 1)
Commitments and contingencies (Note 11)
Subsequent events (Note 18)

On behalf of the Board:

"Timothy J Termuende" Director
Mr. Timothy J. Termuende (Signed)

"Glen J Diduck" Director
Mr. Glen J. Diduck (Signed)

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

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Expressed in Canadian dollars)

For the years ended December 31	2018	2017
Revenue		
Geological services (Note 14)	**$3,075,511**	$3,107,521
Cost and Expenses of Operations		
Services	**1,320,721**	1,253,480
Depreciation	**98,199**	67,463
Salaries and subcontractors	**1,060,328**	1,213,549
	(2,479,248)	(2,534,492)
Gross profit	**596,263**	573,029
Operating expenses		
Administration costs (Note 10)	**1,077,615**	901,112
Professional fees (Note 10)	**269,929**	132,404
Public company costs	**60,096**	32,196
Trade shows, travel and promotion	**122,596**	131,450
	(1,530,236)	(1,197,162)
Other expenses		
Bad debts	**3,282**	26,512
Depreciation	**23,889**	23,384
Share-based payments (Notes 8 and 10)	**162,281**	182,115
Write down of exploration and evaluation assets (Note 7)	**322,379**	14,298
	(511,831)	(246,309)
Loss before other items	**(1,445,804)**	(870,442)
Other items		
Gain on spin-out (Note 16)	**742,852**	-
Option proceeds in excess of carrying value (Note 7)	**81,803**	220,000
Other income	**252,560**	60,456
Investment income	**23,879**	24,532
Premium on flow-through shares	**81,118**	-
Gain on disposal of equipment	**24,997**	1,143
Gain (loss) on investments (Note 5)	**(198,809)**	492,833
Recovery of bad debts	**-**	32,028
	1,008,400	830,992
Net loss for the year	**(437,404)**	(39,450)
Other comprehensive income (loss)		
Unrealized gain on investments (Note 5)	**-**	481,841
Reclassification on disposition of investments	**-**	(492,833)
	-	(10,992)
Comprehensive loss for the year	**$ (437,404)**	$ (50,442)
Net loss per share - basic and diluted (Note 9)	**($0.00)**	($0.00)
Weighted average number of shares outstanding - basic and diluted (Note 9)	**89,596,033**	84,323,806

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

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

For the years ended December 31	2018	2017
Cash flows from operating activities		
Loss for the year	**$ (437,404)**	$ (39,450)
Adjustment for:		
Bad debts	**3,282**	26,512
Depreciation	**122,088**	90,847
Share-based payments	**162,281**	182,115
Gain on spin-out	**(742,852)**	-
(Gain) loss on investments	**198,809**	(492,833)
Gain on disposal of equipment	**(24,997)**	(1,143)
Recovery of bad debts	**-**	(15,750)
Investment income	**(364)**	(276)
Option proceeds in excess of carrying value	**(81,803)**	(220,000)
Write down of exploration and evaluation assets	**322,379**	14,298
Shares received for NSR rights	**(110,000)**	-
Premium on flow-through shares	**(81,118)**	-
	(669,699)	(455,680)
Changes in non-cash working capital items		
Increase in accounts receivable	**(162,410)**	(67,919)
(Increase) decrease in prepaid expenses	**(9,726)**	9,107
Increase (decrease) in accounts payable and accrued liabilities	**(235,317)**	223,479
Increase in prepaid deposits	**10,166**	33,668
	(1,066,986)	(257,345)
Cash flows from financing activities		
Proceeds from exercise of stock options	**161,620**	-
Proceeds from financing	**980,800**	-
Share issue costs	**(3,829)**	-
	1,138,591	-
Cash flows from investing activities		
Proceeds from sale of investments	**540,358**	716,804
Cash received from related party for redemption of shares	**100,000**	-
Cash received from reclamation bonds refunded	**-**	10,000
Purchase of investments	**(300,000)**	(36,000)
Repayment of shareholder loan from related party	**20,000**	-
Cash received for option payments	**79,982**	160,000
Exploration and evaluation assets expenditures	**(683,528)**	(562,868)
Mineral exploration tax credits recovered	**104,461**	22,974
Proceeds from sale of property and equipment	**33,714**	5,238
Purchase of property and equipment	**(234,367)**	(75,250)
	(339,380)	240,898
Decrease in cash and cash equivalents	**(267,775)**	(16,447)
Cash and cash equivalents, beginning of year	**3,199,060**	3,215,507
Cash and cash equivalents, end of year	**$2,931,285**	$3,199,060
Cash and cash equivalents comprise:		
Bank deposits	**$ 720,944**	$ 970,153
Term deposits	**2,210,341**	2,228,907
	$2,931,285	$3,199,060

The Company made no cash payments for income taxes.
The Company received cash payments of $23,515 (2017 - $23,980) for interest.
Supplemental Cash Flow Information (Note 13)

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

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Share Capital		Contributed	Accumulated Other Comprehensive		
	Shares	Amount	Surplus	Income (loss)	Deficit	Total
Balance, December 31, 2016	84,313,669	$21,896,813	$4,194,430	$391,774	$(20,193,974)	$6,289,043
Shares issued to acquire mineral property	200,000	36,500	-	-	-	36,500
Share-based payments	-	-	182,115	-	-	182,115
Loss for the year	-	-	-	-	(39,450)	(39,450)
Other comprehensive loss for the year	-	-	-	(10,992)	-	(10,992)
Balance, December 31, 2017	84,513,669	21,933,313	4,376,545	380,782	(20,233,424)	6,457,216
Reclassification on adoption of IFRS 9	-	-	-	(380,782)	380,782	-
Shares issued for private placement financing	2,084,000	416,800	-	-	-	416,800
Shares issued for flow-through financing	2,350,000	564,000	-	-	-	564,000
Shares issued on exercise of options	1,275,000	222,373	(60,753)	-	-	161,620
Shares issued to acquire mineral property	125,000	25,000	-	-	-	25,000
Share issue costs	-	(3,829)	-	-	-	(3,829)
Premium on flow-through shares	-	(82,250)	-	-	-	(82,250)
Share-based payments	-	-	162,281	-	-	162,281
Loss for the year	-	-	-	-	(437,404)	(437,404)
Balance, December 31, 2018	**90,347,669**	**$23,075,407**	**$4,478,073**	**$ -**	**$(20,290,046)**	**$7,263,434**

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

1. Nature and continuance of operations

Eagle Plains Resources Ltd. (the “Company” or “Eagle Plains” or “EPL”) was incorporated on March 30, 1994, pursuant to the Alberta Business Corporation Act (Alberta), and is extra provincially registered in the Yukon, British Columbia, the Northwest Territories and Saskatchewan. The Company is a junior resource company holding properties located in British Columbia, Yukon, the Northwest Territories and Saskatchewan for the purpose of exploring for, and the development of mineral resources and it is considered to be in the exploration stage.

The Company also provides geological services on its properties optioned to others and properties owned by others through its subsidiary, TerraLogic Exploration Inc. (incorporated pursuant to the British Columbia Corporation Act). The gross margin reported on the consolidated statements of comprehensive income (loss) relates solely to geological services provided to third parties.

The Company’s corporate office and principal place of business is Suite 200, 44-12th Avenue South, Cranbrook, British Columbia, Canada.

These consolidated financial statements have been prepared on the basis that the Company is a going concern which envisions the Company will be able to realize assets and discharge liabilities in the normal course of operations. Recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and attain profitable production or proceeds from the disposition of the exploration and evaluation assets in excess of the carrying amount. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. Basis of Preparation

(a) Statement of Compliance

The consolidated financial statements for the Company for the years ending December 31, 2018 and 2017 are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements were authorized for issue by the Board of Directors on April 26, 2019.

(b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss (“FVTPL”) and fair value through other comprehensive income (“FVOCI”) which are stated at their fair value. These consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

(c) Use of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that

2. Basis of Preparation - continued

(c) Use of Estimates and Judgments - continued

period or in the period of the revision and further periods if the revision affects both current and future periods.

Significant areas requiring the use of management estimates include impairment of exploration and evaluation assets; provision of reclamation and environmental obligations, if any; impairment of property and equipment; useful lives for depreciation of property and equipment; and inputs used in accounting for share-based payments in profit or loss; and determination of the fair value of the investment of Taiga acquired in the Plan of Arrangement (note 16).

Areas of significant judgment include the classification of financial instruments; recognition of deferred income taxes and contingencies reported in the notes to the consolidated financial statements; and the classification of exploration and evaluation expenditures, which requires judgment in determining whether it is likely that future economic benefits will flow to the Company as this would result in the properties being shown as mines under construction instead of exploration and evaluation assets.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements. The accounting policies have been applied consistently by the Company and its wholly owned subsidiaries. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Principles of consolidation
Subsidiaries

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, TerraLogic Exploration Inc. ("TL") and Taiga Gold Corp. ("Taiga") until Aril 11, 2018 (note 16). All significant intercompany balances and transactions have been eliminated.

b) Cash and cash equivalents
Cash and cash equivalents consist of cash on hand, bank balances, term deposits and investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

c) Financial instruments
The Company has adopted new accounting standard IFRS 9 - Financial Instruments, effective for annual periods beginning on or after January 1, 2018.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition:

- Those measured a fair value through profit and loss ("FVTPL");
- Those measured at fair value through other comprehensive income ("FVOCI"); and
- Those measured at amortized cost.

Cash and cash equivalents continue to be recorded at FVTPL and accounts receivables, reclamation bonds, and accounts payable and accrued liabilities, initially recognized at fair value, are subsequently recorded at amortized cost using the effective interest rate method. Investments are now recorded at FVTPL.

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of

3. Significant Accounting Policies - continued

c) Financial instruments - continued

the financial instruments. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

The Company has assessed the classification and measurement of its financial assets and financial liabilities under IFRS 9 and have summarized the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 in the following table:

	Measurement Category	
	Original (IAS39)	New(IFRS 9)
Financial Assets:		
Cash and cash equivalents	FVTPL	FVTPL
Accounts receivable	Amortized cost	Amortized cost
Investments	Fair value through OCI	FVTPL
Reclamation bonds	Amortized cost	Amortized cost
Financial Liabilities:		
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

The Company did not restate prior periods as it recognized the effects of retrospective application to shareholders' equity at the beginning of the 2018 annual reporting period, which also includes the date of initial application. The adoption of IFRS 9 resulted in a reclassification from accumulated other comprehensive income to deficit in the amount of $380,782 on January 1, 2018.

d) Exploration and evaluation assets

Pre-exploration costs

Pre-exploration costs are expensed in the period in which they are incurred.

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

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

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

Under IFRS 6 Exploration for and Evaluation of Mineral Resources, one or more of the following facts and circumstances indicate that an entity should test exploration and evaluation assets for impairment:

i. The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.

3. Significant Accounting Policies - continued

d) Exploration and evaluation assets - continued

ii. Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.

iii. Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.

iv. Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties. Any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Exploration and evaluation assets are classified as intangible assets.

e) Mineral tax credit

The Federal and Provincial taxation authorities provide companies with tax incentives for undertaking mineral exploration programs in certain areas. The Company accrues these credits as a reduction of exploration and evaluation expenditures in the period that the related expenditures were incurred. These accrued credits are subject to review by the relevant authorities and adjustments, if any, resulting from such a review are recorded in the period that the tax filings are amended.

f) Option agreements

Certain of the Company's activities are conducted through joint arrangements in which two or more parties have joint control. A joint arrangement is classified as either a joint operation or a joint venture, depending on the rights and obligations of the parties to the arrangement.

Joint operations arise when the Company has a direct ownership interest in jointly controlled assets and obligations for liabilities. The consolidated financial statements include the Company's interest in the assets, liabilities, revenues, expenses, and cash flows of this type of arrangement.

Joint ventures arise when the Company has rights to the net assets of the arrangement. For these arrangements the Company uses the equity method of accounting and recognizes initial and subsequent investments at cost, adjusting for the Company's share of the joint venture's income or loss, less dividends received thereafter. Joint ventures are tested for impairment whenever objective evidence indicates that the carrying amount of the investment may not be recoverable under the equity method of accounting. The impairment amount is measured as the difference between the carrying amount of the investment and the higher of its fair value less costs of disposal and its value in use. Impairment losses are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

g) Property and equipment

Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items. The depreciation method, useful life and residual values are assessed annually.

(Expressed in Canadian dollars)

3. Significant Accounting Policies - continued

g) Property and equipment - continued

Depreciation is determined using the declining balance method, using the rates below which approximate the estimated useful life of the asset:

Automotive	30% per annum
Building	4% per annum
Computer equipment	30%, 45%, 55% or 100% per annum
Computer software	100% per annum
Fence	10% per annum
Furniture and equipment	20% per annum

An item is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the consolidated statement of comprehensive income (loss).

h) Investment property

The Company's real estate holdings, which include the head office building, do not meet the definition of an investment property under IAS 40 and are therefore included in property and equipment. Although a portion of the head office building is rented to third parties, under IAS 40, a portion of dual-use property is classified as investment property only if the portion could be sold or leased out separately under a finance lease. Otherwise, the entire property is classified as property and equipment unless only an "insignificant" portion is held for own use. Rental income is recorded as other income.

i) Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the assets are reviewed to determine whether there is any indication that those assets are impaired. Impairment is recognized when the carrying amount of an asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. The recoverable amount is the greater of the asset's fair value less costs of disposal and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. The impairment loss is recognized in profit or loss in the statement of comprehensive income (loss) for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount had no impairment loss been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

j) Rehabilitation obligations

The Company recognizes the fair value of a legal or constructive liability for a rehabilitation obligation in the year in which it is incurred and when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in profit or loss. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset. The Company does not have significant rehabilitation obligations.

k) Revenue recognition

Effective January 1, 2018, the Company applied IFRS 15 using the cumulative effect method, without practical expedients, with the effect of initially applying this standard recognized at the date of initial application of January 1, 2018. Accordingly, the information presented for 2017 has not been restated. It is presented, as previously reported, under IAS 18, IAS 11 and related interpretations. There were no significant quantitative impacts on the consolidated financial statements upon adoption. There were no material differences in the accounting of the Company's revenue under the new standard and the previous accounting policy. Revenue associated with the geological services provided by the Company is recognized when services are performed under an agreement with a customer, amount is known and collection of any resulting receivable is reasonably assured.

3. Significant Accounting Policies - continued

l) Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

m) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants, options and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded to contributed surplus.

Flow-through shares

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as an other liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the other liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's reporting period is disclosed separately as flow-through share proceeds in Note 11, if any.

The Company may also be subject to Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financing expense until qualifying expenditures are incurred.

3. Significant Accounting Policies - continued

n) Per share amounts
Basic earnings per common share are computed by dividing the net income for the year by the weighted average number of common shares outstanding for the year. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the year.

o) Share-based payments
Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss in the consolidated statement of comprehensive income (loss) over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss in the consolidated statement of comprehensive income (loss) over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss in the consolidated statement of comprehensive income (loss), unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management’s best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

p) New accounting pronouncements
Certain new accounting standards and interpretations have been published that are not mandatory for the December 31, 2018 reporting year. The following is a brief summary of the new standards:

IFRS 16 – Leases

The new standard recognizes most leases for lessees under a single model, eliminating the distinction between operating and finance leases. The application of this standard is effective for annual periods beginning on or after January 1, 2019. The Company is in the process of assessing the impact that the new and amended standards will have on its consolidated financial statements, but does not expect the impact to be material.

(Expressed in Canadian dollars)

4. Accounts Receivable

Accounts receivable are comprised of:

	December 31 2018	December 31 2017
Trade receivables before allowance	**$ 688,158**	$ 493,729
Less: loss allowance	**(282,937)**	(279,526)
Trade receivables, net	**405,221**	214,203
GST	**-**	7,072
Other	**9,967**	34,785
	$ 415,188	$ 256,060

The Company has provided an allowance for lifetime expected credit losses based on the non-ability of certain customers to meet their obligations. The Company does not hold any collateral as security.

5. Investments

The Company holds investments that have been designated as FVTPL as follows:

	December 31, 2018		December 31, 2017	
	Market Value	**Cost**	Market Value	Cost
Current:				
Common shares in public companies	**$ 1,506,948**	**$ 899,608**	$ 939,533	$ 558,751

For securities traded in an active market, market value is based on the quoted closing bid prices of the securities at December 31, 2018 and 2017. Cost is calculated using the quoted closing bid price on the date of receipt of the securities.

Current term deposits are held for terms less than 90 days and are cashable on demand, as long as credit cards are cancelled, so they are classified as cash and cash equivalents.

During the year, the Company sold investments and received proceeds of $540,358 (2017 - $716,804), resulting in a gain on sale of $534,633 (2017 - $492,833).

The Company also recorded unrealized loss of $733,442 (2017 – gain of $481,841) in the year.

(Expressed in Canadian dollars)

6. Property and Equipment

Cost	Land	Building	Automotive	Computer Equipment & Software	Furniture and Equipment	Fence	Total
Balance at December 31, 2016	$298,856	$1,001,330	$252,402	$297,060	$458,062	$13,360	$2,321,070
Additions	-	21,858	21,753	27,304	4,335	-	75,250
Disposals	-	-	-	-	(11,692)	-	(11,692)
Balance at December 31, 2017	298,856	1,023,188	274,155	324,364	450,705	13,360	2,384,628
Additions	-	-	206,821	14,124	13,422	-	234,367
Disposals	-	-	(71,924)	-	(7,804)	-	(79,728)
Balance at December 31, 2018	**$298,856**	**$1,023,188**	**$409,052**	**$338,488**	**$456,323**	**$13,360**	**$2,539,267**
Accumulated Depreciation							
Balance at December 31, 2016		$223,122	$206,985	$290,132	$311,128	$5,865	$1,037,232
Depreciation		32,612	16,888	11,946	28,652	749	90,847
Disposals		-	-	-	(7,597)	-	(7,597)
Balance at December 31, 2017		255,734	223,873	302,078	332,183	6,614	1,120,482
Depreciation		32,296	47,310	16,760	25,047	675	122,088
Disposals		-	(64,202)	-	(6,809)	-	(71,011)
Balance at December 31, 2018		**$288,030**	**$206,981**	**$318,838**	**$350,421**	**$7,289**	**$1,171,559**

Carrying Value	Land	Building	Automotive	Computer Equipment & Software	Furniture and Equipment	Fence	Total
At December 31, 2017	$298,856	$767,454	$50,282	$22,286	$118,522	$6,746	$1,264,146
At December 31, 2018	**$298,856**	**$735,158**	**$202,071**	**$19,650**	**$105,902**	**$6,071**	**$1,367,708**

(Expressed in Canadian dollars)

7. Exploration and Evaluation Assets

During the year ended December 31, 2018, the Company made acquisition and exploration expenditures of $706,369 (2017 - $577,237) and received option payments of $116,544 (2017 - $347,500). As a result of option payments received, the Company recorded in income, option proceeds in excess of carrying value of $81,803 (2017 - $220,000). The Company wrote down exploration and evaluation assets of $322,379 (2017 - $14,298) as, per IFRS 6, there were no substantive expenditures on further exploration for and evaluation of mineral resources planned on certain properties at this time. A BCMETC claim of $9,226 (2017 - $104,461) is being claimed for the year. The Company completed a Plan of Arrangement in April 2018, transferring properties valued at $217,148 (note 16). As a result of the foregoing, exploration and evaluation assets totaled $1,163,746 at December 31, 2018, up from $1,040,871 at December 31, 2017. See Schedule 1 – Exploration and evaluation and Schedule 2 – Acquisition and exploration additions.

The Company has interests in a number of optioned exploration projects. As at December 31, 2018, the Company has executed option agreements with third parties on the following projects:

Option Agreements - Third party earn in
British Columbia

(a) **Coyote Creek Project:** On July 1, 2014, the Company entered into an agreement with Secure Minerals Inc. ("Secure") (subsequently amalgamated with Secure Energy (Drilling Services) Inc.), whereby Secure will reserve the exclusive option over a five year period to purchase the Coyote Creek mineral tenures. In order to exercise the option and acquire a 100% interest in the property Secure is required to make cash payments totaling $250,000 plus a production royalty on material extracted. The payments are due as follows:

Cash Payments	Due Date
$ 10,000	July 1, 2014 (received)
10,000	July 1, 2015 (received)
10,000	July 1, 2016 (received)
10,000	July 1, 2017 (received)
10,000	July 1, 2018 (received)
200,000	June 30, 2019
$ 250,000	

(b) **Acacia Project:** On January 11, 2018: the Company executed an option agreement with CRC Minerals Inc. (a private B.C. company), ("CRC") whereby CRC may earn up to a 75% interest in the Acacia property located in central British Columbia. The property area has been held by Eagle Plains since 2001 and carries no underlying royalties or encumbrances. Under terms of the agreement, CRC may earn a 60% interest (the "First Option") by completing $2,500,000 in exploration expenditures, make cash payments totalling $250,000 and issue 1,100,000 voting-class common shares to Eagle Plains over 5 years. To increase its earn-in interest to 75%, CRC agrees to make a one-time election within 90 days of exercising the First Option in full, by committing to the completion of a bankable feasibility study within a 5-year period following this election. On August 7, 2018, the agreement was amended whereby the dates that exploration expenditures were required were extended by one year in exchange for an additional 100,000 shares of CRC once listed. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 10,000	-	$ -	On signing of agreement (received)
20,000	200,000	-	Within 30 days of listing on Exchange
25,000	100,000	100,000	The earlier of the 1st anniversary of listing date or Dec 31, 2019
25,000	100,000	200,000	The earlier of the 2nd anniversary of listing date or Dec 31, 2020
50,000	200,000	500,000	The earlier of the 3rd anniversary of listing date or Dec 31, 2021
50,000	200,000	700,000	The earlier of the 4th anniversary of listing date or Dec 31, 2022
70,000	300,000	1,000,000	The earlier of the 5th anniversary of listing date or Dec 31, 2023
$ 250,000	1,100,000	$ 2,500,000	

(Expressed in Canadian dollars)

7. Exploration and Evaluation Assets - continued

Option Agreements - Third party earn in - continued
Saskatchewan

(c) **Brownell Project:** On June 6, 2018, the Company executed an option agreement with Roughrider Exploration Ltd. ("Roughrider") whereby Roughrider may earn up to an 80% interest in the Brownell Lake exploration property located east of La Ronge, Saskatchewan. Under the terms of the Brownell Lake option agreement, Eagle Plains will grant Roughrider the right to acquire up to an 80% interest in and to Brownell Lake (subject to a 2% NSR) by making aggregate cash payments of up to $2,500,000 and incurring exploration expenditures of up to $7,000,000 over a period of up to six years as follows:

To earn an initial 60% interest:

- aggregate cash payments of $500,000 on or before March 31, 2022 and aggregate exploration expenditures of $3,000,000 on or before December 31, 2021.

To earn an additional 20% interest (total 80%):

- additional $2,000,000 cash payment ($2,500,000 total) and an additional $4,000,000 in exploration expenditures ($7,000,000 total) within 2 years of the date of election to exercise the initial option.

The Company received notification from Roughrider on February 28, 2019 that they are terminating the option agreement.

(d) **Chico Project:** On April 11, 2018, the Company transferred the property to Taiga Gold Corp, pursuant to the Plan of Arrangement completed on this date.

(e) **Fisher Gold Project:** On April 11, 2018, the Company transferred the property to Taiga Gold Corp, pursuant to the Plan of Arrangement completed on this date.

The Company entered into an agreement with Taiga Gold Corp. ("Taiga")(a company related through certain common directors) whereby Taiga agreed to purchase the conditional right to be granted in the future, a variable 0.5% to 2.5% net smelter returns royalty ("NSR") relating to any future production at the Fisher gold property located in Saskatchewan which rights were held by Eagle Plains. The NSR will be granted pursuant to the option agreement dated effective October 5, 2016 between Eagle Plains and Silver Standard Resources Inc. (whose rights and interests therein were assigned by Silver Standard Resources Inc. (which subsequently changed its name to SGO Mining Inc.) to Claude Resources Inc.), as amended by an amending agreement dated January 22, 2018 and by an agreement dated as of October 15, 2018 (the "Option Agreement"). Eagle Plains received purchase consideration of $110,000, payable through the issuance of 1,000,000 common shares of Taiga at a price of $0.11 per share.

(f) **Knife Lake Project:** On October 31, 2018, Eagle Plains and Rockridge Resources Ltd. ("Rockridge") entered into an option agreement whereby Rockridge may earn a 100% interest in Eagle Plains' 100%-owned Knife Lake Project, located northwest of the community of Sandy Bay, Saskatchewan. To earn a 100% interest, Rockridge has agreed to make a cash payment to Eagle Plains of $150,000, issue 5,250,000 common shares of Rockridge and complete $3,250,000 in exploration expenditures over four years. Eagle Plains will retain a 2.5% net smelter royalty ("NSR") on certain claims which comprise the project (a third party holds a 1% NSR on certain claims on the project). Rockridge may purchase 1.5% of the NSR for $2,000,000. Payments are as follows:

Payments	Payments	Expenditures	Due Date
$ 150,000	2,000,000	$ -	On Exchange acceptance (received)
-	750,000	750,000	January 2, 2020
-	750,000	750,000	January 2, 2021
-	750,000	750,000	January 2, 2022
-	1,000,000	1,000,000	January 2, 2023
$ 150,000	5,250,000	$ 3,250,000	

(g) **Olson Project:** On June 6, 2018, the Company executed an option agreement with Roughrider Exploration Ltd. ("Roughrider") whereby Roughrider may earn up to an 80% interest in the Olson exploration property located east of La Ronge, Saskatchewan. Under the terms of the Olson Option Agreement, Eagle Plains will grant Roughrider the right to acquire up to an 80% interest in and to Olson (subject to a 2% NSR) by making

7. Exploration and Evaluation Assets - continued

Option Agreements - Third party earn in - continued
Saskatchewan

Olsen Project - continued

aggregate cash payments of up to $2,500,000 and incurring exploration expenditures of up to $7,000,000 over a period of up to six years as follows:

To earn an initial 60% interest:

- aggregate cash payments of $500,000 on or before March 31, 2022 and aggregate exploration expenditures of $3,000,000 on or before December 31, 2021

To earn an additional 20% interest (total 80%):

- additional $2,000,000 cash payment ($2,500,000 total) and an additional $4,000,000 in exploration expenditures ($7,000,000 total) within 2 years of the date of election to exercise the initial option.

The Company received notification from Roughrider on February 28, 2019 that they are terminating the option agreement.

Property Agreements – Other
Saskatchewan

(h) **Schotts Lake**: On September 12, 2018, Eagle Plains acquired by staking, a block of claims that cover the historic Schotts Lake Cu-Zn VMS deposit.

(i) **Virgin River**: On December 10, 2018, Eagle Plains completed a tri-party agreement with Tarku Resources Ltd. and Denison Mines Corp. ("Denison") whereby Denison has purchased the Virgin River property. As per the terms of the agreement, Denison will reserve in Eagle Plain's favour a 2% Net Smelter Return ("NSR") royalty on all future production relating to the disposition. This royalty can be reduced at any time to a 1% NSR royalty by paying Eagle Plains $1,000,000.

(j) **Knife Lake**: On January 30, 2018, the Company purchased claims adjacent to Knife Lake from C Knudsen, an arms-length third party for consideration of $1,093 cash and 125,000 Eagle Plains common shares valued at $25,000. Knudsen will retain a 1% NSR which may be purchased by Eagle Plains at any time upon payment of $1,000.000.

8. Equity Instruments

(a) Authorized

Unlimited number of common shares without nominal or par value.

Unlimited number of first and second preference shares without nominal or par value, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

(b) Issued and outstanding

At December 31, 2018, there were 90,347,669 (2017 – 84,513,669) shares outstanding.

- On February 8, 2018, the Company completed a flow-through financing, issuing 2,350,000 shares for proceeds of $564,000
- On February 8, 2018, the Company completed a non-flow-through financing, issuing 2,084,000 shares for proceeds of $416,800
- On February 16, 2018, the Company issued 790,000 shares for the exercise of options, receiving proceeds of $114,750.
- On February 16, 2018, the Company issued 125,000 shares valued a $25,000 for the acquisition of mineral claims in Saskatchewan (note 7(j)).
- On March 1, 2018, the Company issued 100,000 shares for the exercise of options, receiving proceeds of $15,000.
- On April 16, 2018, the Company issued 90,000 shares for the exercise of options, receiving proceeds of $6,270.

(Expressed in Canadian dollars)

8. Equity Instruments - continued

(b) Issued and outstanding - continued

- On May 24, 2018, the Company issued 150,000 shares for the exercise of options, receiving proceeds of $10,449.
- On July 11, 2018, the Company issued 145,000 shares for the exercise of options, receiving proceeds of $15,151.

(c) Stock Option Plan

The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price of options granted is not less than the market price of the common shares traded less the available discount under TSX Venture Exchange Inc. policies, and is determined by the Board of Directors. Options granted can have a term of up to 10 years.

During the years ended December 31, 2018 and 2017, the Company had the following stock option activities:

Total issued and outstanding	Number of Options	Option Price per Share Range	Weighted Average Exercise Price
Balance, December 31, 2016	7,200,000	$0.10 - $0.15	$0.13
Expired	(1,225,000)	(0.15)	(0.15)
Granted	2,150,000	0.20 - 0.30	0.28
Balance, December 31, 2017	8,125,000	0.10 - 0.30	0.17
Exercised	(1,275,000)	(0.10 - 0.15)	(0.14)
Granted	1,650,000	0.25	0.25
Expired	(195,000)	(0.15)	(0.15)
Cancelled	(10,000)	(0.25)	(0.25)
Balance, December 31, 2018	**8,295,000**	**$0.10 - 0.30**	**$0.19**

The weighted average share price on the date of option exercises was $0.19.

At December 31, 2018, the following table summarizes information about stock options outstanding**:**

Options Outstanding December 31, 2018	Exercise Price	Expiry Date	Number of Options Exercisable	Weighted Average Remaining Life
2,300,000	$ 0.15	June 5, 2020	2,300,000	1.43 years
2,205,000	$ 0.10	December 29, 2020	2,205,000	2.00 years
1,650,000	$ 0.30	March 13, 2022	1,650,000	3.20 years
500,000	$ 0.20	June 15, 2022	500,000	3.46 years
1,640,000	$ 0.25	February 19, 2023	1,608,750	4.14 years
8,295,000			**8,263,750**	**2.59 years**

The weighted average remaining life of the outstanding stock options at December 31, 2018 is 2.59 years (2017 – 2.84 years)

(d) Share-based payments for share options

During the years ended December 31, 2018, $162,281 (2017 – $182,115) was recorded as share-based payments related to options granted and vested during the year. Compensation expense has been determined based on the estimated fair value of the options at the grant dates and amortized over the vesting period. The Company valued the options using the Black Scholes model.

The Company valued the options issued in the year using the Black-Scholes model and the following weighted average assumptions:

(Expressed in Canadian dollars)

8. Equity Instruments - continued

(d) Share-based payments for share options - continued

	2018	2017
Expected annual volatility	**63.73%**	65.86%
Expected risk free rate	**2.08%**	1.24%
Expected term	**5 years**	5 years
Expected dividends	**-**	-
Share price at date of grant	**$0.20**	$0.18
Exercise price	**$0.25**	$0.28

Expected volatility is estimated using the historical stock price of the Company.

(e) Warrants outstanding

At December 31, 2018, the Company had outstanding, 4,434,000 (2017 – nil) share purchase warrants exercisable at $0.40 (2017 – $nil) and expiring February 7, 2020 (2017 - nil). These warrants were issued in conjunction with the financing in February 2018.

(f) Financing

On February 8, 2018, the Company closed a brokered and non-brokered public offering. The financing was offered to arms-length and non-arm's length investors and was comprised of 2,084,000 non-flow-through units and 2,350,000 flow-through units for a total issuance of 4,434,000 shares and gross proceeds of $980,800. Non-flow-through units were sold at a price of $0.20 per unit, each unit consisting of a non-flow-through common share and one non-flow-through common share purchase warrant, each whole warrant exercisable at $0.40 for a 24 month period. Flow-through units were sold at a price of $0.24 per unit, each unit consisting of a flow-through common share and a non-flow-through common share purchase warrant, each whole warrant exercisable at $0.40 for a 24 month period.

9. Per Share Amounts

The calculation of per share amounts have been calculated based on the weighted average number of shares outstanding during the year ended December 31, 2018 of 89,596,033 shares (2017 – 84,323,806). The net effect of applying the treasury-stock method to the weighted average number of shares outstanding had anti-dilutive effect for the years ended December 31, 2018 and 2017.

10. Related Party Transactions

The Company was involved in the following related party transactions during the year:

(a) The Company was related to Apex Diamond Drilling Ltd. ("Apex") through ownership of 10% of the shares of Apex. At December 31, 2018 and 2017 Eagle Plains' interest in Apex was as follows:

	2018	2017
Shareholder loan, interest free, no specific terms of repayment	**$ -**	$ 20,000
Shares in Apex	**-**	20
	$ -	$ 20,020

In September 2018 the shares were redeemed by Apex for $100,000 and the shareholder loan was repaid.

(Expressed in Canadian dollars)

10. Related Party Transactions - continued

(b) The Company was related to Omineca Mining and Metals Ltd. ("OMM") through common directors until May 11, 2017. During the year the Company had the following transactions with the related company:

	2018	2017
Administrative services provided by EPL	**$ -**	$ 9,833
Investor relation services provided by EPL	**$ -**	$ 9,400

At December 31, 2018, $150,357 (2017 - $148,887) is included in accounts receivable. The Company recorded an allowance for lifetime expected credit losses of $150,357 (2017 - $147,130) in respect of the amount receivable from OMM.

(c) The Company is related to Taiga Gold Corp. ("Taiga") through common directors. During the year the Company had the following transactions with the related company:

	2018	2017
Administrative services provided by EPL	**$ 61,112**	$ -
Costs reimbursed to EPL	**$ 138,920**	$ -
Exploration services provided by EPL	**$ 236,933**	$ -
Share of proceeds from EPL options exercised	**$ (13,880)**	$ -

At December 31, 2018, $47,914 (2017 - $nil) is included in accounts receivable.

(d) Included in professional fees is $125,714 (2017 - $38,267) paid or accrued for legal fees to a law firm of which one of the directors, Darren Fach, is a partner. At December 31, 2018, $nil (2017 - $9,141) is included in accounts payable and accrued liabilities.

Compensation to key management

Compensation to key management personnel in the year:

	2018	2017
Administration costs		
Management fees	**$ 112,500**	$ 142,167
Wages and benefits	**99,884**	102,878
Professional fees	**47,000**	44,400
Share-based payments	**56,541**	114,166
	$ 315,925	$ 403,611

(e) Included in administration costs is $112,500 (2017 - $142,167) paid or accrued for management services to a company owned by a director and officer of the Company.

(f) Included in administration costs is $99,884 (2017 - $102,878) paid or accrued for wages and benefits to a director and officer of the Company.

(g) Included in professional fees is $47,000 (2017 - $44,400) paid or accrued for accounting services to a director and officer of the Company.

(h) On February 19, 2018, the Company granted 570,000 (2017 – 1,250,000) options, with exercise prices of $0.25 (2017 - $0.30 and $0.20) and expiry dates of February 19, 2023 (2017 - March 13, 2022 and June 15, 2022), to directors of the Company and recorded share-based payments of $56,541 (2017 - $114,166).

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment unless otherwise specified.

(Expressed in Canadian dollars)

11. Commitments and Contingencies

The Company has $60,100 (2017 - $59,736) held as project reclamation deposits in favor of regulatory authorities. The amount of the deposit is determined at the time the exploration program is planned and a notice of work is submitted to the regulatory authority. If the work is more extensive than previously planned, the amount of the deposit will be increased. When reclamation work is completed on a project to the satisfaction of the regulatory authority, the deposit is released to the Company.

The company is committed to incur exploration expenditures of $7,760 by December 31, 2019 to meet the renouncement requirements from the issuance of flow-through shares in February 2018.

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevent the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks association with such indemnification. The Company has included in officers' management contracts a change of control clause that would entitle them to compensation of twelve (12) months' salary should such an event occur.

12. Financial Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

December 31, 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:				
Cash and cash equivalents	**$ 2,931,285**	**$ -**	**$ -**	**$ 2,931,285**
Investments	**$ 1,506,948**	**$ -**	**$ -**	**$ 1,506,948**

December 31, 2017	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 3,199,060	$ -	$ -	$ 3,199,060
Investments	$ 939,533	$ -	$ -	$ 939,533

As disclosed in Note 3(c), the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to concentration risk, credit risk, currency risk, price risk and commodity price risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a) Concentration risk
At December 31, 2018 and 2017, substantially all of the Company's cash was held at two recognized Canadian National financial institutions. As a result, the Company was exposed to all of the risks associated with those institutions. Concentration risk also exists in marketable securities (investments) because the Company's investments are primarily in shares of junior resource companies involved in gold exploration.

12. Financial Instruments - continued

b) Credit risk
The Company is exposed to credit risk, which is the risk that a customer or counterparty will fail to perform an obligation or settle a liability, resulting in financial loss to the Company. The Company manages exposure to credit risk by adopting credit risk guidelines that limit transactions according to counterparty credit worthiness. The maximum credit exposure associated with accounts receivable is the carrying value on the consolidated statement of financial position.

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of the counterparty to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 180 days past due.

c) Currency risk
Currency risk is the risk to the Company's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. At December 31, 2018, the Company had cash of $6,107 (2017 - $16,339) in US$. The Company is not exposed to significant currency risk.

d) Price risk
The Company's investments designated as FVTPL are traded on the TSX Venture, TSE and CSE. A 1% change in the cumulative quoted share price would change the fair value of the investments by approximately $15,000 (2017 - $9,400). The change would be recorded in net loss.

e) Commodity price risk
The value of the Company's mineral resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

13. Supplemental Cash Flow Information

Non-cash investing and financing activities:

(a) Pursuant to certain mineral property option agreements, the Company received 252,500 (2017 – 1,250,000) shares with an attributed value of $36,562 (2017 - $212,500). The Company also received 1,000,000 shares valued at $110,000 for the sale of an NSR.

(b) The Company issued 125,000 (2017 – nil) shares with an attributed value of $25,000 (2017 - $nil) to acquire mineral properties.

(c) At December 31, 2018, the Company held cashable term deposits bearing interest rates of 1.25% to 1.45% (2017 – 1.00% to 1.10%) with maturity terms of January 21, 2019 to March 12 2019 (2017 – January 3, 2018 to March 7, 2018). All of these investments are cashable before maturity and have been treated as cash equivalents.

(d) At December 31, 2018, accounts payable and accrued liabilities included $3,010 (2017 - $5,169) for investment in exploration and evaluation assets.

(e) The Company received nil (2017 – 262,500) shares with an attributed value of $nil (2017 - $15,750) in settlement of debt of accounts receivable for which an allowance was previously provided for.

14. Disaggregation of revenue

The Company earns revenue from the performance of one type of service, being geological and exploration services. Further, its customers are exploration companies based in Canada.

(Expressed in Canadian dollars)

15. Capital Management

The Company includes cash and cash equivalents and shareholders' equity, comprising of issued common shares, accumulated other comprehensive income (loss), contributed surplus and deficit, in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended December 31, 2018 and 2017. The Company is not subject to externally imposed capital requirements.

16. Spin-out of Taiga Gold Corp.

On February 2, 2018, the Company executed a formal arrangement agreement related to the proposed spin-out. Pursuant to the Plan of Arrangement, Eagle Plains transferred its interest in the Fisher, Chico, Orchid, Leland and SAM properties, not including the net smelter returns ("NSR's") which will remain with Eagle Plains and $300,000 in cash to Taiga. Per the Plan of Arrangement, Eagle Plains will hold 11,162,716 shares of Taiga and the Eagle Plains shareholders at the date of the Plan of Arrangement will hold 44,981,334 shares of Taiga. The 11,162,716 shares the company received were determined to have a fair value of $1,260,000 and therefore resulted in a gain in spin-out of $742,852.

The reorganization was approved by shareholders at a special meeting on April 6, 2018 and received formal approval of the Court of Queen's Bench of Alberta on April 11, 2018. Taiga securities were listed for trading on the CSE on April 30, 2018.

On October 15, 2018, the Company entered into an agreement with Taiga whereby Taiga agreed to purchase the conditional right to be granted in the future, a variable 0.5% to 2.5% net smelter returns royalty ("NSR") relating to any future production at the Fisher gold property located in Saskatchewan, which rights were held by Eagle Plains. Eagle Plains received purchase consideration of $110,000, payable through the issuance of 1,000,000 common shares of Taiga at $0.11 per share.

17. Income Taxes

As of December 31, 2018 and 2017, the effective tax rate of income varies from the statutory rate as follows:

	2018	2017
Loss before income taxes	$(437,404)	$ (39,450)
Statutory tax rates	27.0%	26.0%
Tax recovery at statutory rate	(118,100)	(10,300)
Non-deductible expenses	9,200	(13,300)
Effect on tax rate change	-	85,600
Tax benefits unrecognized	108,900	109,200
Deferred income tax recovery	$ -	$ -

(Expressed in Canadian dollars)

17. Income Taxes - continued

The components of the Company's deferred income tax asset (liability) are a result of the origination and reversal of temporary differences and are comprised of the following:

Nature of deferred income tax asset	2018	2017
Property and equipment	$21,000	$ 22,000
Exploration and evaluation assets	886,000	920,000
Investments and other	178,000	220,000
Non-capital tax losses	1,044,000	941,000
Capital tax losses	241,000	212,000
Deferred income tax assets	2,370,000	2,315,000
Unrecognized deferred tax assets	(2,370,000)	(2,315,000)
Deferred income tax liability	$ -	$ -

As of December 31, 2018, subject to confirmation by income tax authorities, the Company has approximately the following available tax pools, deductible from future taxable income at rates prescribed by the Canadian Income Tax Act:

	2018	2017
Undepreciated capital cost	$ 1,148,000	$ 1,045,000
Non-capital tax losses	3,866,000	3,483,000
Capital tax losses	1,781,000	1,568,000
Cumulative Canadian exploration and development expenses	4,573,000	4,552,000
	$ 11,368,000	$ 10,468,000

At December 31, 2018 the non-capital tax losses of $3,866,000 (2017 - $3,509,000) available for carry-forward to reduce future years' taxable income, expiring:

$1,604,000	expires 2033
523,000	expires 2034
525,000	expires 2035
479,000	Expires 2036
378,000	Expires 2037
357,000	Expires 2038
$3,866,000	

18. Subsequent Events

On January 17, 2019, the Company executed an option agreement with 1149781 BC Ltd. (a private B.C. company) ("1149781") whereby 1149781 may earn up to a 60% interest in the Donna property located in central British Columbia. Under terms of the agreement, 1149781 may earn up to a 60% interest by completing exploration expenditures of $3,000,000, making cash payments of $250,000 and issuing 1,000,000 voting class common shares to EPL over a 5 year period.

On January 8, 2019, the Company received $150,000 and 2,000,000 shares of Rockridge Resources Ltd. pursuant to the option agreement on the Knife Lake project, with an attributed value of $460,000.

On February 28, 2019, the Company received notification from Roughrider that they are terminating the option agreement on the Brownell property.

On February 28, 2019, the Company received notification from Roughrider that they are terminating the option agreement on the Olson property.

(Expressed in Canadian dollars)

Schedule 1 - Exploration and evaluation

	December 31 2017	Acquisition and Exploration	Grants, Option Payments & Mineral Tax Credits	Option proceeds in excess of carrying value	Write down of mineral properties	Spin-out of mineral properties	**December 31 2018**
British Columbia	$ 699,402	$419,663	$ (39,208)	$ 10,000	$(206,931)	$ -	**$ 882,926**
NW Territories	183	-	-	-	-	-	**183**
Saskatchewan	301,150	285,905	(86,250)	71,491	(74,511)	(217,148)	**280,637**
Yukon Territory	40,136	801	(312)	312	(40,937)	-	**-**
	$1,040,871	$706,369	$(125,770)	$81,803	$(322,379)	$(217,148)	**$1,163,746**

	December 31 2016	Acquisition and Exploration	Grants, Option Payments & Mineral Tax Credits	Option proceeds in excess of carrying value	Write down of mineral properties	December 31 2017
British Columbia	$455,085	$359,033	$(114,461)	$ 10,000	$(10,255)	$ 699,402
NW Territories	8	175	(185,000)	185,000	-	183
Saskatchewan	254,085	177,950	(152,500)	25,000	(3,385)	301,150
Yukon Territory	715	40,079	-	-	(658)	40,136
	$709,893	$577,237	$(451,961)	$220,000	$(14,298)	$1,040,871

(Expressed in Canadian dollars)

Schedule 2 – Acquisition and exploration additions

December 31, 2018	British Columbia	Saskatchewan	Yukon	Total
Analytical	$ 13,840	$ 11,267	$ -	$ 25,107
Consultations	1,575	12,217	-	13,792
Drilling	236,304	-	-	236,304
Equipment rental	7,107	2,240	-	9,347
Geological and Geochemical	954	1,658	-	2,612
Labour	80,635	104,501	101	185,237
Transportation	45,650	9,120	-	54,770
Travel and camp	8,211	4,081	-	12,292
Tenure and acquisitions	25,387	140,821	700	166,908
	$419,663	**$285,905**	**$801**	**$706,369**

December 31, 2017	British Columbia	Saskatchewan	Yukon & NWT	Total
Analytical	$ 48,149	$ 22,216	$ 904	$ 71,269
Environmental	1,061	-	-	1,061
Equipment rentals	398	1,287	152	1,837
Geophysical	118,189	7,895	-	126,084
Geological	3,365	1,647	4,420	9,432
Labour	137,841	46,041	21,270	205,152
Travel	18,529	11,065	6,103	35,697
Transportation	4,333	14,553	7,230	26,116
Tenure and Acquisitions	27,168	73,246	175	100,589
	$359,033	$177,950	$40,254	$577,237