COPPER LAKE
RESOURCES LTD

Condensed Interim Financial Statements

For the Three Months Ended
January 31, 2019

(Expressed in Canadian dollars)

Unaudited – Prepared by Management

Copper Lake Resources Ltd.

The accompanying unaudited condensed interim financial statements of Copper Lake Resources Ltd. for the three months ended January 31, 2019 have been prepared by management, reviewed by the Audit Committee and approved by the Board of Directors of the Company.

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that these unaudited condensed interim financial statements have not been reviewed by its auditor.

Copper Lake Resources Ltd.
Condensed Interim Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

As at		January 31, 2019		October 31, 2018
ASSETS				
Current assets				
Cash and cash equivalents	$	1,149	$	3,847
HST receivable		3,855		3,600
Prepaid expenses		10,360		9,425
		15,364		15,247
Mineral property interests (note 3)		2,614,862		2,614,862
Total assets	**$**	**2,630,226**	**$**	**2,630,109**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities	$	285,528	$	272,414
Advances from shareholder (note 6)		10,971		-
		296,499		272,414
Convertible debentures (note 4)		92,594		90,638
Total liabilities		389,093		363,052
Shareholders' equity				
Capital stock (note 5)		15,885,549		15,885,549
Reserves		445,908		445,908
Equity component of convertible debt (note 4)		35,890		35,890
Deficit		(14,126,214)		(14,100,290)
		2,241,133		2,267,057
Total liabilities and shareholders' equity	**$**	**2,630,226**	**$**	**2,630,109**

On behalf of the Board:

"Terrence MacDonald" Director

"Gary O'Connor" Director

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
Condensed Interim Statements of Comprehensive Loss
(Unaudited)
(Expressed in Canadian dollars)

	For the three months ended January 31, 2019	2018
Expenses		
Accretion of interest on convertible debentures	1,956	1,556
Exploration and evaluation expenditures	2,470	20,135
General and administration	8,633	8,633
Interest on convertible debentures and bank charges	3,676	3,451
Investor relations	9,345	-
Management fees	6,000	-
Professional fees	118	7,916
Share-based compensation	-	121,605
Transfer agent and regulatory fees	1,804	6,166
Net loss and comprehensive loss for the period	**$ 25,924**	**$ 169,462**
Basic and diluted loss per share	**$ 0.000**	**$ 0.002**
Weighted average number of common shares outstanding	**119,552,185**	**105,692,185**

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited)
(Expressed in Canadian dollars)

	Shares	Capital stock Amount	Share-based payment reserve	Equity component of convertible debt	Deficit	Total
		$	$	$	$	$
Balance, October 31, 2018	119,552,185	15,885,549	445,908	35,890	(14,100,290)	2,267,057
Net loss and comprehensive loss for the period	-	-	-	-	(25,924)	(25,924)
Balance, January 31, 2019	119,552,185	15,885,549	445,908	35,890	(14,126,214)	2,241.133
Balance, October 31, 2017	103,942,185	15,111,244	281,854	35,890	(13,125,587)	2,303,401
Private placement of units	7,000,000	350,000	-	-	-	350,000
Subscriptions received for private placement	-	35,176	-	-	-	35,176
Share-based compensation	-	-	121,605	-	-	121,605
Net loss and comprehensive loss for the period	-	-	-	-	(169,462)	(169,462)
Balance, January 31, 2018	**110,942,185**	**15,496,420**	**403,459**	**35,890**	**(13,295,049)**	**2,640,720**

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
Condensed Interim Statement of Cash Flows
(Unaudited)
(Expressed in Canadian dollars)

	For the three months ended January 31,			
		2019		2018
Cash flows from operating activities:				
Loss income for the period	$	(25,924)	$	(169,462)
Items not affecting cash:				
Accretion of interest on convertible debentures		1,956		1,556
Share-based compensation		-		121,605
Change in non-cash working capital items:				
HST receivable		(255)		(5,482)
Prepaid expenses		(935)		(7,070)
Accounts payable and accrued liabilities		13,114		(122,212)
Net cash provided by (used in) operating activities		**(12,044)**		**(181,605)**
Cash flows from investing activities:				
Mineral property interests		-		-
Net cash used in investing activities		**-**		**-**
Cash flows from financing activities:				
Advances from shareholder		10,971		(1,278)
Issuance of units in private placement		-		350,000
Subscriptions received in private placement		-		35,176
Net cash provided by (used in) financing activities		**10,971**		**383,898**
Increase (decrease) in cash during the period		(1,073)		202,833
Cash and cash equivalents, beginning of period		2,222		3,847
Cash and cash equivalents, end of period	**$**	**1,149**	**$**	**206,680**

The accompanying notes are an integral part of these financial statements

1. NATURE OF BUSINESS AND GOING CONCERN

Copper Lake Resources Ltd. ("Copper Lake" or the "Company") was incorporated under the laws of the Province of British Columbia and is in the business of exploration and development of mineral resource properties. The address of the Company's head office is 501 Alliance Avenue – Suite 401, Toronto, Ontario. The Company's shares are listed on the TSX-V under the trading symbol CPL.

The Company is a mineral exploration company focused on acquiring, exploring and developing mineral property interests in Canada.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company has no source of operating cash flows, has not yet achieved profitable operations, has a working capital deficit, has accumulated losses since its inception, expects to incur further losses in the development of its business and has no assurance that sufficient funding will be available to conduct further exploration of its mineral properties. These conditions cast significant doubt about the Company's ability to continue as a going concern. The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations, and receive continued financial support from its creditors and shareholders.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and maintain its mineral interests. The Company has announced a $500,000 financing subsequent to January 31, 2019 – see note 6.

In the future, the Company may raise additional financing through the issuance of share capital or shareholder loans, however, there can be no assurance that it will be successful in its efforts to do so and that the terms will be favorable to the Company. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Management is actively seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management's plan will be successful. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements as at and for the year ended October 31, 2018.

These condensed interim financial statements were authorized for issue by the Board of Directors on March 29, 2019.

2. BASIS OF PREPARATION *(Continued)*

Significant accounting policies

The policies applied in these condensed interim financial statements follow the same accounting policies and methods of application as our most recent annual financial statements. Accordingly, they should be read in conjunction with our audited financial statements for the year ended October 31, 2018.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated and have been rounded to the nearest dollar.

Use of estimates and judgments

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the impairment of assets.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended October 31, 2018.

New Standards, Interpretations and Amendments Not Yet Effective

The following new standards, and amendments to standards and interpretations, were not yet effective for the year ended October 31, 2018, and have not been applied in preparing these consolidated financial statements. Other new standards which are not yet effective for the year ended October 31, 2018 but are not discussed below, are not expected to have an impact on the Company.

New accounting standards adopted

IFRS 9 Financial Instruments

A finalized version of IFRS 9 *Financial Instruments* replaces IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and was adopted by the company effective November 1, 2018. There was no impact on the Company's unaudited condensed interim financial statements as a result of adopting IFRS 9.

2. BASIS OF PREPARATION *(Continued)*

Accounting standards issued and effective in future periods

IFRS 16 Leases

A finalized version of IFRS 16 *Leases* replaces IAS 17 *Leases* as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The new standard is not expected to have a significant impact on the financial statements of the Company.

3. MINERAL PROPERTY INTERESTS

Marshall Lake Property

The Company entered into an option agreement dated July 6, 2010 with Rainy Mountain Royalty Corp. (“Rainy Mountain”) and Marshall Lake Mining Limited (“MLMP”) of London, England, whereby the Company was granted an option to earn up to a 50% interest in certain mining claims that comprise the Marshall Lake property located north-northeast of Thunder Bay, Ontario.

Under the option agreement, the Company is required to:

a) incur aggregate exploration expenditures of $4,000,000 on the property, as follows:
   - (i) $400,000 (incurred) on or before the first anniversary of August 11, 2011;
   - (ii) $600,000 (incurred) on or before the second anniversary of August 11, 2012;
   - (iii) $1,000,000 (incurred) on or before the third anniversary of August 11, 2013;
   - (iv) $1,000,000 (incurred) on or before the fourth anniversary, amended to October 11, 2014; and
   - (v) $1,000,000 on or before the fifth anniversary, amended to July 15, 2018.

b) issue a total of 2,000,000 common shares of the Company, as follows:
   - (i) 400,000 common shares (issued at a value of $88,000) within ten business days of the effective date of the agreement; and
   - (ii) 1,000,000 common shares (issued) to be issued on each of the first (issued at a value of $104,000), second (issued at a value of $60,000) and third (issued at a value of $20,000) and fourth (issued at a value of $24,000) anniversary dates of the Agreement.

During the year ended October 31, 2015, the Company negotiated an extension of the option agreement to July 15, 2017. In consideration for the extension the Company issued 500,000 shares to each of the two optionors (1,000,000 shares in total). During the year ended October 31, 2017 the Company negotiated an extension of the option agreement to July 15, 2018 and issued 600,000 shares as consideration.

On May 5, 2016 the Company announced that it had reached an agreement to acquire the 31.25% interest in the Marshall Lake property currently held by MLMP, a privately held company based in the United

3. MINERAL PROPERTY INTERESTS *(Continued)*

Kingdom. The acquisition subsequently closed on September 29, 2016. This acquisition gave Copper Lake a 68.75% interest in the property.

Consideration for the acquisition was 34,422,938 common shares and a principal amount of $350,000 of 12% five year unsecured subordinated convertible debentures. The debentures are convertible into units, comprised of one share and one warrant, at $0.055 per unit for the first year and $0.10 per unit thereafter. The warrants will have an exercise price equal to the conversion rate of the units when issued. The total consideration is valued at $2,243,262.

As a result of the acquisition, the Company can now earn a 75% interest by incurring cumulative expenditures of $4,000,000 on the property by July 15, 2018. As of October 31, 2018, the Company had incurred cumulative expenditures of $4,163,076 and had completed the 75% earn-in.

The Company has the option to increase its interest to 87.5% by incurring such additional property expenditures as are necessary to take the Marshall Lake property to a bankable feasibility stage.

Norton Lake Property

The Company entered into a Joint Venture Assignment Agreement dated on January 21, 2009 with Cascadia International Resources Inc. of Calgary, Alberta (“Cascadia”), pursuant to which Cascadia assigned its 51% joint venture interest in the Norton Lake property to the Company for the sum of $300,000. The other joint venture partners are Rainy Mountain and White Metals Resources Corp. (“White Metals”). The property is located north of Thunder Bay, Ontario and the Company is the operator. The Norton Lake Project consists of two properties, namely, the Norton West Property (the principal property) and the Norton East Property. Joint venture expenditures are being recorded by each joint venture partner on a cash call basis and as a result of the programs completed by the Company on the Norton West Property, the Company had a 57.6% interest in the Norton West Property (with Rainy Mountain having a 32.6% interest and White Metals having a 9.8% interest) and a 51% interest in the Norton East Property (with Rainy Mountain having a 9.8% interest and Trillium having a 39.2% interest). By agreement dated February 21, 2012, the Company, Rainy Mountain and White Metals combined and consolidated their respective interests in the Norton West and Norton East Properties, and as a result, the Company has a 60.70% interest in the combined Properties (with Rainy Mountain having a 30.21% interest and White Metals having a 9.09% interest). On June 29, 2015, the Company announced that it had acquired the remainder of White Metals’ 9.09% interest in the Norton Lake property, thus increasing its ownership position to 69.79%.

During the year ended October 31, 2018 the Company performed certain work at the two camps on the property and incurred expenses in the amount of $20,920. As Rainy Mountain did not contribute their portion of the costs, the Company’s interest in the property has increased to 71.41%.

Northwestern Ontario Gold Properties

On March 7, 2017, the Company announced that it had entered into a mineral property option agreement to acquire up to 100% of four separate properties made up of seven claims. The properties are situated in the Kenora and Patricia mining divisions in Northwestern Ontario and are known as the Queen Alexandria Gold Property, the Mine Lake Gold Property, the Grand Chibougamau Gold Property and the Centrefire-Redhat Gold-Copper Property, collectively the NWO Gold Properties.

Copper Lake can earn 25% interest of these properties by payment of $10,000 and 200,000 shares upon signing and an additional $10,000 and 200,000 shares within four months of approval by the TSX, which approval was received on March 24, 2017. The initial payment of $10,000 has been made and the 200,000

(Expressed in Canadian dollars)

3. MINERAL PROPERTY INTERESTS *(Continued)*

shares have been issued. The second payment of $10,000 has also been made and the additional 200,000 shares have been issued.

To earn 75% Copper Lake needs to pay $60,000 and issue 600,000 shares over 3 years and spend at least $2,000,000 on the properties. Copper Lake can earn up to 100% interest by completing a 43-101 compliant resource estimate with 500,000 ounces on the properties and payment of 250,000 shares.

If at any time Copper Lake decides to return any of the four properties, the future cash, share and expenditure commitments will also reduce by 25% for each property returned.

The Optionor will retain a 2% net smelter royalty ("NSR"). Copper Lake can acquire half (1%) of the NSR for $1 million and will have a right of refusal to acquire the remaining 1%.

Exploration and evaluation expenses

Details of the Company's exploration and evaluation expenditures, which have been cumulatively expensed in the statement of loss and comprehensive loss, are as follows:

For the three months ended January 31, 2019

	Marshall Lake Property	Norton Lake Property	NOW Gold Properties	Total
Property taxes and lease rent	1,795	-	-	1,795
Storage	675			675
Expenditures for the period	**2,470**	**-**	**-**	**2,470**
Cumulative balance - October 31, 2018	4,163,076	840,784	22,294	5,026,154
Balance, January 31, 2019	**$ 4,165,546**	**$ 840,784**	**22,294**	**$ 5,028,624**

For the three months ended January 31, 2018

	Marshall Lake Property	Norton Lake Property	NOW Gold Properties	Total
Core shack	5,228	-	-	5,228
Drilling mobilization	8,200		-	8,200
Field office	1,038	-	-	12,000
Property taxes and lease rent	1,795	-	-	4,832
Roads and access	2,700	-	-	2,700
Storage	450	-	-	2,100
Transportation	724			724
Expenditures for the period	**20,135**	**-**	**-**	**20,135**
Cumulative balance - October 31, 2017	3,490,298	819,864	1,227	4,311,389
Cumulative balance - January 31, 2018	**$ 3,510,433**	**$ 819,864**	**1,227**	**$ 4,331,524**

(Expressed in Canadian dollars)

3. CONVERTIBLE DEBENTURES

	Principal Amount	Liability Component	Equity Component
Balance at October 31, 2016	**$ 518,630**	**$ 365,095**	**$ 165,659**
Conversion of convertible debentures	(406,130)	(300,054)	(129,769)
Accretion	-	18,802	-
Balance at October 31, 2017	**112,500**	**83,843**	**35,890**
Accretion	-	6,795	-
Balance October 31, 2018	**112,500**	**90,638**	**35,890**
Accretion for the 3 months	-	1,956	-
Balance at January 31, 2019	**$ 112,500**	**$ 92,594**	**$ 35,890**

On April 28, 2016 the Company closed a $420,000 non-brokered private placement of convertible debentures. The unsecured subordinated convertible debentures bear interest at 12% per annum, calculated annually and have a term of five years from the date of issue. At the date of issue $285,845 was allocated to the liability component of the convertible debenture and the residual amount of $134,155 was allocated to the equity component, based on an effective interest rate of 20%.

The debentures are convertible into units at the rate of $0.05 for the first year and $0.10 thereafter. Each unit is comprised of one common share and one common share warrant of the Company. Each common share warrant entitles the holder to purchase one additional common share of the Company at an exercise price equal to the conversion price at the time of issuance of the warrants. The warrants will expire on the date which is the earlier of (a) four years from the date of issuance of the warrant, and (b) April 28, 2021.

On September 29, 2016 the Company issued $350,000 of convertible debentures in connection with the acquisition of the additional interest in the Marshall Lake property, as described in note 4. The unsecured subordinated convertible debentures bear interest at 12% per annum, calculated annually and have a term of five years from the date of issue. At the date of issue $238,204 was allocated to the liability component of the convertible debenture and the residual amount of $111,796 was allocated to the equity component, based on an effective interest rate of 20%.

Immediately following the closing of the above acquisition, debentures with a principal value of $251,370 were converted into units.

4. CAPITAL STOCK

The common shares of the Company are entitled to one vote per share at meetings of the shareholders of the Company, and upon dissolution or any other distribution of assets, to receive pro rata such assets of the Company as are distributable to the holders of common shares.

The Company is authorized to issue unlimited common shares without par value.

During the year ended October 31, 2018, the Company completed the following share transactions:

a) On February 28, 2018, the Company announced that it closed a private placement, and issued 2,910,000 non-flow through units at $0.05 and 12,500,000 flow through units at $0.05 for total gross proceeds of $770,500. Each flow through unit consists of one flow-through common share and one-half of one common share purchase warrant, with each full warrant being exercisable at $0.10 for two years. Each non-flow through unit consists of one non flow-through common share and one full common share purchase warrant, with each full warrant being exercisable at $0.08 for two years. The share purchase warrants will be subject to the right of the Company to accelerate the exercise if the shares of the Company trade at or above $0.25 for a period of ten consecutive trading days.

(Expressed in Canadian dollars)

5. CAPITAL STOCK *(Continued)*

In connection with above financing, the Company paid finders fees of $4,200 and issued 66,500 broker warrants. The broker warrants will be exercisable at $0.10 for twenty-four months from closing. The warrants were valued determined using the Black-Scholes valuation model.

Stock Options

Stock option transactions for the 3 months ended January 31, 2019 and the year ended October 31, 2018 are summarized as follows:

	January 31, 2019		**October 31, 2018**	
	Number of Options	Weighted Ave Exercise Price	Number of Options	Weighted Ave Exercise Price
Opening balance	9,700,000	0.051	5,600,000	0.051
Granted	-	0.050	4,100,000	0.052
Expired	-	-	-	-
Ending balance	9,700,000	$0.051	9,700,000	$0.051
Options exercisable	9,700,000	$0.051	9,700,000	$0.051

The following options were outstanding as at January 31, 2019 and October 31, 2018:

	Number of Options		
Expiry Date	**January 31, 2019**	**October 31, 2018**	Exercise Price
April 6, 2021	2,250,000	2,250,000	0.050
July 29, 2021	2,250,000	2,250,000	0.050
August 8, 2021	100,000	100,000	0.065
September 29, 2021	1,000,000	1,000,000	0.055
January 18, 2023	3,350,000	3,350,000	0.050
March 2, 2020	500,000	500,000	0.050
March 15, 2023	250,000	250,000	0.080
Outstanding and exercisable	9,700,000	9,700,000	0.051
Weighted average remaining life	2.92 years	3.17 years	

Share Purchase Warrants

Share purchase warrant transactions are summarized as follows:

	Three months ended January 31, 2019		**Year ended October 31, 2018**	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Opening balance	22,230,936	$ 0.101	17,678,098	$ 0.078
Issued	-	-	9,226,500	0.094
Expired	-	-	(4,673,662)	0.050
Ending balance	22,230,936	$ 0.101	22,230,936	$ 0.101
Warrants exercisable	22,230,936	$ 0.101	22,230,936	$ 0.101

(Expressed in Canadian dollars)

5. CAPITAL STOCK *(Continued)*

As at January 31, 2019 and October 31, 2018 the following share purchase warrants were outstanding:

	Number of Warrants		
Expiry Date	**January 31, 2019**	**October 31, 2018**	**Exercise Price**
September 29, 2020	4,570,363	4,570,363	$ 0.055
April 27, 2021	6,150,000	6,150,000	0.050
July 5, 2021	490,800	490,800	0.050
September 26, 2021	1,793,273	1,793,273	0.055
December 28, 2019	3,500,000	3,500,000	0.100
February 28, 2020	2,750,000	2,750,000	0.100
February 28, 2020	2,910,000	2,910,000	0.080
February 28, 2020	66,500	66,500	0.100
Outstanding and exercisable	**22,230,936**	**22,230,936**	**$0.070**

6. RELATED PARTY TRANSACTIONS

The Company paid or accrued the following amounts to directors, companies controlled by directors or companies having common directors during the three months ended January 31:

	2019	**2018**
Interest accrued on convertible debentures	$ 3,000	$ 3,000

Key management personnel compensation

Key management includes directors and other key personnel, including the CEO, President and CFO, who have authority and responsibility for planning, directing, and controlling the activities of the Company. The compensation paid to these key management personnel for the three months ended January 31, 2019 and 2018 is outlined below:

	2019	**2018**
Short-term benefits	$ 6,000	$ -
Share-based compensation	-	52,635
	$ 6,000	$ 52,635

Included in accounts payable and accrued liabilities as at January 31, 2019 is $71,502 (October 31, 2018 - $44,206) owed to directors and officers, companies controlled by former directors or companies having certain directors in common.

During the 3 months ended January 31, 2019, a director of the Company advanced funds to the company in the amount of $10,971 (2018 – nil). This advance is unsecured, non-interest bearing and has no terms of repayment.

7. CONTINGENCY

The Company was named in a lawsuit filed in June 2016, by Ronald Coombes ("Coombes"), the former President and CEO and former director, who resigned as President, CEO and director of Copper Lake in February 2016. Coombes is seeking payment for amounts claimed to be owing for consulting fees and reimbursement of expenses and unspecified damages. He is also seeking damages for alleged termination of his consulting agreement. In conjunction with the lawsuit, a prejudgment garnish order was served on the Company which resulted in $118,390 being held by the BC Supreme Court pending the outcome of the lawsuit. The claims made by Coombes excluding damages total $137,185. These amounts were recorded in the records of the Company while Coombes was President and CEO. The Board of Directors retained legal counsel and filed a defense, and also filed a counterclaim for breach of contract and breach of fiduciary duty in July 2016. In October 2016, the Company successfully filed an action to have a second former director added to the counterclaim against Coombes. In July 2018 a Summary Court ruled that the garnished funds be paid to Coombes, and the related account payable in the same amount has been extinguished. The Company plans to continue with its counterclaim against the two former directors. At the present time, management is unable to determine the outcome and potential impact of the claim, if any, and no provision has been booked for the counterclaim as at October 31, 2018.

8. SUBSEQUENT EVENT

On March 19, 2019 the Company announced that it intends to complete a non-brokered private placement for aggregate gross proceeds of up to $500,000. The offering will comprise up to eight million flow-through units at a price of $0.025 per flow-through unit and 15 million non-flow-through units at a price of $0.02 per unit. Each flow-through unit will consist of one flow-through common share and one common share purchase warrant, with each warrant being exercisable at $0.05 for two years. Each unit will consist of one non-flow-through common share and one full common share purchase warrant, with each warrant being exercisable at $0.05 for two years. The offering is being made subject to the grant of a discretionary waiver of the TSX Venture Exchange's minimum $0.05 pricing requirement. The offering is not subject to any minimum aggregate subscription. Subject to certain limitations discussed herein, the offering is open to all existing shareholders of the company as well as pursuant to other available prospectus exemptions. The offering is subject to TSX-V final acceptance