STRONGBOW EXPLORATION INC.

CONSOLIDATED FINANCIAL STATEMENTS

JANUARY 31, 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Strongbow Exploration Inc.

Opinion

We have audited the accompanying consolidated financial statements of Strongbow Exploration Inc. (the "Company"), which comprise the consolidated statements of financial position as at January 31, 2019 and 2018, and the consolidated statements of income (loss) and comprehensive income (loss), cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company has sustained substantial losses from operations since inception, has no current source of revenue and is dependent on its ability to obtain additional financing. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 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 Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 IFRS, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 David Harris.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

May 23, 2019

STRONGBOW EXPLORATION INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at January 31
(Expressed in Canadian dollars)

	2019	2018
ASSETS		
Current		
Cash	$ 2,161,772	$ 6,948,928
Marketable securities (Note 5)	1,168,932	515,521
Receivables (Note 6)	14,676	158,363
Deferred financing fees (Note 7)	552,758	406,311
Prepaid expenses	133,165	133,729
	4,031,303	8,162,852
Deposits (Note 20)	67,585	29,093
Property, plant and equipment (Note 8)	4,999,617	1,508,300
Royalties (Note 9)	1,500,000	1,500,000
Exploration and evaluation assets (Note 10)	7,379,019	5,741,629
	$ 17,977,524	$ 16,941,874
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Notes 11 and 20)	$ 270,016	$ 619,603
Debt (Note 12)	4,525,893	3,917,432
Royalty option (Note 12)	2,886,514	2,886,514
Long-term liability (Note 13)	1,475,504	1,283,047
	9,157,927	8,706,596
SHAREHOLDERS' EQUITY		
Capital stock (Note 14)	37,271,571	35,180,604
Commitment to issue shares (Note 10)	-	2,000,000
Capital contribution (Note 13)	507,665	507,665
Share-based payment reserve (Notes 2 and 14)	816,274	4,868,494
Investment revaluation reserve	-	61,357
Deficit	(29,775,913)	(34,382,842)
	8,819,597	8,235,278
	$ 17,977,524	$ 16,941,874

Nature and Continuance of Operations and Going Concern Assumption (Note 1)
Commitments (Note 16)
Subsequent Event (Note 23)

Approved and authorized on behalf of the Board on May 23, 2019:

"D. Grenville Thomas" Director *"Richard Williams"* Director

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
YEARS ENDED JANUARY 31
(Expressed in Canadian dollars)

	2019	2018
EXPENSES		
Accretion (Notes 12 and 13)	$ 483,415	$ 167,354
Advertising and promotion	664,273	566,889
Depreciation (Note 8)	7,542	2,977
Insurance	52,498	43,633
Office, miscellaneous and rent (Note 20)	115,503	110,322
Professional fees (Note 20)	371,479	685,488
Generative exploration (recovery) costs	5,883	(105,156)
Regulatory and filing fees	22,107	23,278
Share-based compensation (Notes 14 and 20)	167,376	420,208
Salaries and benefits (Note 20)	605,996	314,071
Total operating expenses	(2,496,072)	(2,229,064)
Foreign exchange loss	(63,218)	(11,169)
Interest income	27,519	-
Unrealized gain on marketable securities (Note 5)	838,753	-
Realized gain on marketable securities (Note 5)	2,047,864	-
Loss on disposal of property, plant and equipment (Note 8)	(28,870)	-
Income (loss) before income taxes	325,976	(2,240,233)
Income tax recovery (Note 18)	-	7,182
Income (loss) for the year	325,976	(2,233,051)
Other comprehensive income (loss) for the year		
Unrealized gain on marketable securities (Note 5)	-	48,068
Total comprehensive income (loss) for the year	$ 325,976	$ (2,184,983)
Basic earnings (loss) per share	$ 0.00	$ (0.03)
Diluted earnings (loss) per share	$ 0.00	$ (0.03)
Weighted average number of common shares outstanding (Note 19):		
Basic	83,474,393	67,239,691
Diluted	84,856,815	67,239,691

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JANUARY 31
(Expressed in Canadian dollars)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) for the year	$ 325,976	$ (2,233,051)
Items not involving cash:		
Accretion	483,415	167,354
Depreciation	7,542	2,977
Generative exploration recovery	-	(117,000)
Share-based compensation	167,376	420,208
Unrealized gain on marketable securities	(838,753)	-
Realized gain on marketable securities	(2,047,864)	-
Loss on disposal of property, plant and equipment	28,870	-
Income tax recovery	-	(7,182)
Changes in non-cash working capital items:		
Decrease (increase) in receivables	143,687	(85,913)
Decrease (increase) in prepaid expenses	564	(65,481)
(Decrease) increase in accounts payable and accrued liabilities	(214,747)	95,480
Net cash used in operating activities	(1,943,934)	(1,822,608)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(3,671,835)	(516,915)
Proceeds from the sale of property, plant and equipment	500	-
Acquisition of exploration and evaluation assets	(1,331,355)	(1,315,745)
Increase in deposits	(38,492)	(19,793)
Proceeds from the sale of marketable securities, net	2,325,514	-
Acquisition of marketable securities	(25,318)	-
Net cash used in investing activities	(2,740,986)	(1,852,453)
CASH FLOWS FROM FINANCING ACTIVITIES		
Common shares issued – warrant exercise	90,967	113,900
Common shares issued – private placement financing, net	-	2,162,868
Increase in deferred financing fees	(193,203)	(298,098)
Debt, net of transaction costs	-	4,037,442
Royalty option	-	2,886,514
Net cash (used in) provided by financing activities	(102,236)	8,902,626
Change in cash during the year	(4,787,156)	5,227,565
Cash, beginning of the year	6,948,928	1,721,363
Cash, end of the year	$ 2,161,772	$ 6,948,928
Cash paid during the year for interest	$ -	$ -
Cash paid during the year for income taxes	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 21)

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
YEARS ENDED JANUARY 31
(Expressed in Canadian dollars)

	Number of shares	Amount	Commitment to issue shares	Capital contribution	Share-based payment reserve	Investment revaluation reserve	Deficit	Total
Balance at January 31, 2017	60,573,360	$ 32,723,836	$ 2,000,000	$ 507,665	$ 4,448,286	$ 13,289	$(32,149,791)	$ 7,543,285
Private placement	15,714,228	2,199,992	-	-	-	-	-	2,199,992
Share issue costs	-	(37,124)	-	-	-	-	-	(37,124)
Common shares issued upon warrant exercise	569,500	113,900	-	-	-	-	-	113,900
Common shares issued pursuant to property option agreement	1,000,000	180,000	-	-	-	-	-	180,000
Share-based compensation	-	-	-	-	420,208	-	-	420,208
Unrealized gain on marketable securities	-	-	-	-	-	48,068	-	48,068
Loss for the year	-	-	-	-	-	-	(2,233,051)	(2,233,051)
Balance at January 31, 2018	**77,857,088**	**35,180,604**	**2,000,000**	**507,665**	**4,868,494**	**61,357**	**(34,382,842)**	**8,235,278**
Reclassification on the adoption of IFRS 9 (Note 2)	-	-	-	-	-	(61,357)	61,357	-
Common shares issued upon warrant exercise	454,833	90,967	-	-	-	-	-	90,967
Commitment to issue shares pursuant to property option agreement (Note 10)	8,456,664	2,000,000	(2,000,000)	-	-	-	-	-
Share-based compensation	-	-	-	-	167,376	-	-	167,376
Reclassification of share-based payment reserve (Note 2)	-	-	-	-	(4,219,596)	-	4,219,596	-
Income for the year	-	-	-	-	-	-	325,976	325,976
Balance at January 31, 2019	**86,768,585**	**$37,271,571**	**$ -**	**$ 507,665**	**$ 816,274**	**$ -**	**$ (29,775,913)**	**$ 8,819,597**

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

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN ASSUMPTION

Strongbow Exploration Inc. (the "Company" or "Strongbow") exists under the laws of the *Canada Business Corporations Act* ("CBCA"). The Company trades on the TSX Venture Exchange ("TSX-V"), (TSX-V – SBW) and its head office is located at Suite 960 – 789 West Pender Street, Vancouver, BC, Canada V6C 1H2. The Company has two wholly-owned subsidiaries: Strongbow Alaska, Inc. which was incorporated under the laws of Alaska, USA and Strongbow Exploration (UK) Ltd., which was incorporated under the laws of the United Kingdom.

The Company's principal business activity is the acquisition, exploration and future development of exploration and evaluation assets. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage.

The Company is in the process of acquiring and exploring its exploration and evaluation assets and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the financing necessary to complete the development of its exploration and evaluation assets and upon future profitable production.

These consolidated financial statements have been prepared on a going concern basis with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company has sustained substantial losses from operations since inception and has no current source of revenue. Continued operations of the Company and further exploration and development of its exploration and evaluation assets is dependent on the Company's ability to obtain additional financing and generate profitable operations in the future. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was inappropriate. These adjustments could be material.

As at January 31, 2019, the Company had current assets of $4,031,303 to settle current liabilities of $270,016. Although the Company has positive working capital of $3,761,287 as at January 31, 2019, the Company may be required to delay discretionary expenditures if additional financing cannot be obtained on reasonable terms. Failure to obtain additional financing when required may result in the loss of some, or all, of the Company's exploration and evaluation assets (Note 10).

2. BASIS OF PRESENTATION

a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These consolidated financial statements have been prepared on a historical basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of May 23, 2019, the date the Board of Directors approved the statements.

b) Adoption of New IFRS Pronouncements – financial instruments

On February 1, 2018, the Company adopted IFRS 9 – Financial Instruments ("IFRS 9") which replaced IAS 39 – Financial Instruments: Recognition and Measurement. IFRS 9 provides a revised model for recognition and measurement of financial assets and a single, forward-looking 'expected loss' impairment model. IFRS 9 also includes significant changes to hedge accounting. The standard is effective for annual periods beginning on or after February 1, 2018. The Company adopted the standard retrospectively and prior periods were not restated. IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities except for marketable securities (Note 5).

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION - *Continued*

b) Adoption of New IFRS Pronouncements – financial instruments - *Continued*

As a result of adopting this standard, the Company has changed its accounting policy for financial assets retrospectively, for assets that were recognized at the date of application. An assessment has been made and the impact to the Company's financial statements was to reclassify its available-for-sale marketable securities to fair value through profit or loss. As the Company adopted IFRS 9 retrospectively without restatement of comparative amounts, this resulted in a reclassification of $61,357 from investment revaluation reserve to deficit on February 1, 2018. Future changes in the fair value of these marketable securities will be recorded directly in profit or loss. No other differences of any significance have been noted in relation to the adoption of IFRS 9.

The new accounting policies for financial instruments are set out in Note 3 (m).

The Company completed an assessment of its financial instruments as at February 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9.

	Original classification under IAS 39	New classification under IFRS 9
Cash	FVTPL	FVTPL
Marketable securities	Available-for-sale	FVTPL
Receivables	Loans and receivables – amortized cost	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities – amortized cost	Amortized cost
Debt	Other financial liabilities – amortized cost	Amortized cost
Long-term liability	Other financial liabilities – amortized cost	Amortized cost

c) Adoption of New IFRS Pronouncements – revenue from contracts with customers

On February 1, 2018, the Company adopted IFRS 15 - Revenue from Contracts with Customers ("IFRS 15"). IFRS 15 utilizes a methodical framework for entities to follow in order to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

As the Company has no revenues, the change did not impact accumulated deficit or any assets and liabilities on the transition date.

d) New Standards Not Yet Adopted

IFRS 16, Leases ("IFRS 16") is effective for annual periods commencing on or after January 1, 2019. This new standard eliminates the classification of leases as either operating leases or finance leases and introduces a single lessee accounting model which requires the lessee to recognize assets and liabilities for all significant leases with a term of longer than 12 months. The Company plans on adopting IFRS 16 using the modified retrospective application method, where the 2018 comparatives are not restated. In addition, the Company will apply the recognition exemptions in IFRS 16 for 'low value' leases and leases that end within 12 months of the date of initial application, and account for them as low value and short-term leases, respectively.

The Company has analyzed its contracts to identify whether they are or contain a lease arrangement for the application of IFRS 16. This analysis has identified contracts that will have an equivalent increase to both the Company's right-of-use lease assets and lease liabilities. The Company has several mineral leases, which are in the process of being extended, but they are all scoped out of IFRS 16. The lease liability and right-of-use asset expected to be recognized on adoption is approximately $200,000.

As the Company develops the South Crofty Tin Project in Cornwall, further lease contracts may be capitalized in due course. Subsequent to transition, depreciation expense and finance costs will increase accordingly, reflecting the changes in right-of-use assets and lease liabilities, respectively.

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION - *Continued*

e) Reclassification of share-based payment reserve

The Company had previously included the share-based compensation charge relating to share options that had expired within share-based payment reserve. As of January 31, 2019, the Company changed its presentation of share-based payment reserve so that it would only include options outstanding at the end of the period (i.e. options awarded, not exercised and unexpired). If this reclassification had been applied retrospectively from February 1, 2017, the share-based payment reserve would have been as follows:

	Share-based payment reserve Before reclassification	Change in share-based payment reserve/deficit	Share-based payment reserve Reclassified
February 1, 2017	$ 4,448,286	$ (4,184,342)	$ 263,944
January 31, 2018	$ 4,868,494	$ (4,219,596)	$ 648,898
January 31, 2019	$ 5,050,176	$ (4,233,902)	$ 816,274

3. SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. 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 for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed by management 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 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 judgment and estimates include:

(i) Recorded costs of exploration and evaluation assets are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that changes in future conditions could require a material change in the recognized amount.

(ii) Share-based payments - the Company uses the Black-Scholes Option Pricing Model for the valuation of share-based payments. Option pricing models require the input of the subjective assumptions including expected price volatility, interest rate, expiry date, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company’s net income/loss and share-based payment reserve.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

a) Significant accounting estimates and judgments - *Continued*

(iii) Valuation of debt and royalty option - the Company has issued a convertible note which is convertible into a 1.5% net smelter return royalty ("NSR") on all metals and minerals produced from the Company's South Crofty Tin Project. The Company bifurcated the convertible note into debt and a royalty option with the debt portion being the more easily measured value. The debt portion is initially recorded at its fair value using a 14% discount rate based on an estimated number of years to reach mine production. The debt will then be accreted over this estimated term. The remaining balance of the convertible note is attributed to the royalty option. The Company has determined that the royalty option is a non-financial liability.

(iv) Impairment - Management applies significant judgment in assessing each cash-generating unit and assets for the existence of indicators of impairment at the reporting date. Internal and external factors are considered in assessing whether indicators of impairment are present that would necessitate impairment testing. Significant assumptions regarding commodity prices, operating costs, capital expenditures and discount rates are used in determining whether there are any indicators of impairment. These assumptions are reviewed regularly by management and compared, when applicable, to relevant market consensus views.

(v) Deferred financing fees - Considerable judgment is required to be exercised on the likely successful completion of equity financing to which deferred financing fees relate. These fees are carried at cost on the consolidated statement of financial position with the likelihood of the related equity financing being reviewed at the reporting date. If the related equity financing is unlikely to complete as contemplated, deferred financing fees are written off to the Company's net income/loss.

(vi) Valuation of marketable securities (private shares) – shares which are not traded in an active market are adjusted at the period end to reflect management's estimated fair value. The most reliable indicator of fair value is the most recent third party sale/purchase transaction in the shares, but if this is not available, significant judgement is applied by management in estimating fair value which may involve subjective assessments of results, business plans and other developments of the investee company that are not based on observable market data.

b) Principles of Consolidation

These consolidated financial statements include the financial statements of the Company and the subsidiaries listed in the following table:

Name of subsidiary	Place of incorporation	Ownership interest	Principal activity
Strongbow Alaska, USA	Alaska, USA	100%	Exploration and development company
Strongbow Exploration (UK) Limited ("SBW UK")	United Kingdom	100%	Holding company
Western United Mines Limited	United Kingdom	100% subsidiary of SBW UK	Exploration company
Cornish Minerals Limited (Bermuda)	Bermuda	100% subsidiary of SBW UK	Holding company for mineral leases

Subsidiaries are entities controlled by the Company. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All inter-company transactions and balances have been eliminated upon consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

c) Foreign currencies

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of the Company, including its subsidiaries, is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates* ("IAS 21").

The consolidated statements of financial position have been translated to the Canadian dollar in accordance with IAS 21. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Company's presentation currency is the Canadian dollar ("$").

d) Share-based compensation

The Company grants share purchase options to buy common shares of the Company to directors, officers, employees and service providers. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of the options is measured at the grant date, using the Black-Scholes option pricing model. The fair value of the share purchase options considers the terms and conditions upon which the share purchase options were granted. The fair value of the options granted is recognized as a share-based compensation expense with a corresponding increase in equity. The fair value is measured at the grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share purchase options that are expected to vest. The share-based payment reserve reflects the fair value of unexpired options outstanding at the period end. When vested options are forfeited or are not exercised at the expiry date, the amount previously recognized in share-based compensation is transferred to deficit.

Share-based compensation arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity settled share-based payment transactions and measured at the fair value of goods or services received. If the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

e) Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in profit or loss.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the period end, and adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

e) Income taxes - *Continued*

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities that do not affect accounting or taxable profit; and
- goodwill

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

f) Income/loss per share

Basic income/loss per share is computed by dividing income/loss available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted income/loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the income/loss per share.

g) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

The initial cost of property, plant and equipment is comprised of its purchase price and any directly attributable costs in bringing the assets to their working condition and location for its intended use. Expenditures incurred after the assets have been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized as an expense in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have improved the condition of the assets beyond the originally assessed standard of performance, the expenditures are capitalized as an additional cost of property, plant and equipment.

Depreciation is provided for annually at the following rates:

Computer equipment	30% declining balance
Software	100% declining balance
Furniture & fixtures	20% declining balance
Motor vehicles	30% declining balance
Equipment	30% declining balance

Land is not depreciated.

The water treatment plant (in progress) is currently not depreciated. Depreciation will commence once the asset is complete and available for use.

The remaining useful lives, residual values and depreciation methods are reviewed and adjusted, if appropriate, at each financial year end to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits from the items of property, plant and equipment.

The carrying value of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognized when either it has been disposed or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gains or losses arising on the retirement and disposal of an item of property, plant and equipment are included in profit or loss in the period of retirement or disposal.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

h) Exploration and evaluation assets

Exploration and evaluation assets are capitalized as tangible assets on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. No costs are capitalized until the legal right to explore the property has been obtained. When it is determined that such costs will be recouped through development and exploitation, the capitalized expenditure is first tested for impairment, then transferred to tangible assets and depreciated over the expected productive life of the asset. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated life of the ore reserves, while costs for the prospects abandoned are written off.

Impairment reviews for deferred exploration and evaluation assets are carried out on a project by project basis, with each project representing a single cash generating unit. An impairment review is undertaken when indicators of impairment arise but typically when one or more of the following circumstances apply:

- Unexpected geological occurrences are identified that render the resource uneconomic;
- Title to the asset is compromised;
- Fluctuations in metal prices render the project uneconomic; and
- Lack of available financing to progress the project.

Where the Company enters into exploration option agreements with third parties, the Company may acquire or dispose of mineral rights and certain benefits attached to those mineral rights. Due to the fact that these options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation assets when payments are made, or as recoveries when payments are received, either against exploration and evaluation assets or as income within profit or loss depending on the nature of the option agreement.

The recoverability of the amounts capitalized for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to develop its exploration and evaluation assets, the ability to obtain the necessary financing to complete their development and future profitable production.

i) Royalty interests

Royalty interests in mineral properties include acquired royalty interests in exploration stage properties. In accordance with *IAS 38 Intangible Assets*, the cost of acquired royalty interests in mineral properties is capitalized as intangible assets.

Acquisition costs of royalty interests on exploration stage mineral properties, where there are no estimated reserves, are not amortized. At such time as the associated exploration stage mineral interests are converted to estimated reserves, the cost basis is amortized over the remaining life of the mineral property, using the estimated reserves. The carrying values of exploration stage mineral interests are evaluated for impairment when information becomes available indicating that production will not occur in the future.

j) Marketable securities

Marketable securities are measured at fair value and consist of shares in public companies listed on the TSX-V and common shares in private companies. Shares which are traded in an active market, such as the TSX-V, are measured at fair value based on quoted closing bid prices at the period end or the closing bid price on the last day the share traded if there were no trades at the period end. The fair value of shares which are not traded in an active market are originally recorded at cost and then adjusted at the period end to reflect management's estimated fair value. Indicators of fair value include recent third party sale/purchase transactions of shares as reported to the Company and the financial condition of the investee company reflecting operational and financial results, business plans and other developments.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

k) Deferred financing fees

Legal fees, professional fees and other expenses related to equity financings are deferred until these financings close, at which time they will be offset against proceeds from the financing to which they relate. Should the financings not close as contemplated, these deferred financing fees will be expensed.

l) Impairment

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss. For an asset that does not generate independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

m) Financial Instruments

The Company classifies its financial assets in the following categories: fair value through profit or loss ("FVTPL") or amortized cost. The classification depends on the purpose for which the financial assets were acquired. The classification of the Company's financial assets are determined at initial recognition.

Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. For trade receivables, the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

n) Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are valued based on the residual value method and included in share capital with the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other compensatory transactions costs are accounted for as share based payments.

o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalized as part of the cost of the respective asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available for a short term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is also capitalized and deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the period.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred. Even though exploration and evaluation assets can be qualifying assets, they generally do not meet the “probable economic benefits” test and are also rarely debt funded. Any related borrowing costs incurred during this phase are therefore generally recognized in profit or loss in the period they are incurred.

p) Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbances are caused by the exploration or development of exploration and evaluation assets due to statutory, contractual, constructive or legal obligations. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises.

The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as exploration and evaluation assets. The Company’s estimates of reclamation costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to exploration and evaluation assets with a corresponding entry to the rehabilitation provision. The Company’s estimates are reviewed annually for changes in regulatory requirements, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company’s estimates of reclamation costs, are charged to profit or loss for the period. The costs of rehabilitation projects that were included in the rehabilitation provision are recorded against the provision as incurred.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, marketable securities, receivables, accounts payable and accrued liabilities, debt and a long-term liability. The carrying value of receivables, accounts payable and accrued liabilities approximate their fair values due to their immediate or short-term maturity. Cash is recorded at fair value consistent with level 1 of the fair value hierarchy. Marketable securities which are publicly traded are recorded at fair value based on the quoted market prices in active markets at the statement of financial position date, which is consistent with level 1 of the fair value hierarchy; marketable securities that are not publicly traded are recorded at fair value using estimates consistent with level 3 of the fair value hierarchy (inputs are not based on observable market data). Debt and the long-term liability are initially recorded at fair value and subsequently carried at amortized cost.

The Company is exposed to a variety of financial risks by virtue of its activities, including liquidity risk, credit risk, foreign currency risk, interest rate risk, equity market risk and commodity price risk. The Company's objective with respect to risk management is to minimize potential adverse effects on the Company's financial performance and position. The Board of Directors provides direction and guidance to management with respect to risk management. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings and asset sales, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration, future development and corporate activities and anticipating investing and financing activities. Failure to realize additional funding, as required, could result in the delay or indefinite postponement of further exploration of the Company's properties, and could result in the Company being unable to meet the continued listing requirements of the TSX-V. As at January 31, 2019, the Company had current assets of $4,031,303 to settle current liabilities of $270,016.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables and cash. The Company's receivables consist primarily of sales tax receivables due from the Canadian and UK governments. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Foreign currency risk

The Company has its most significant exposure to foreign currency risk through expenditures incurred on its exploration and evaluation assets and property, plant and equipment in the United Kingdom. Most of the Company's expenditure incurred on its exploration and evaluation assets, and property, plant and equipment is in British pounds, therefore the fluctuation of the Canadian dollar in relation to this currency will consequently have an impact on the value of the Company's assets. The Company does not presently invest in foreign denominated currency contracts to mitigate this risk, but will closely monitor this risk depending on the amount and currency of any fundraising for the exploration, evaluation and future development of the South Crofty Tin Project.

For the year ended January 31, 2019, with other variables unchanged, a 5% increase or decrease of the British pound and the US dollar against the Canadian dollar would increase or decrease financial assets and liabilities by approximately $35,000.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the future cash flows of a financial instrument fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk is minimal as cash is deposited in Canadian and British financial institutions and the Company has no financial liabilities subject to variable interest rates.

(Expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT - *Continued*

Equity market risk

The Company is exposed to equity price risk arising from its marketable securities, which are classified as FVTPL. The Company plans to sell its marketable securities as market conditions permit, or as is required to finance the Company's operations from time-to-time.

Commodity price risk

The Company is exposed to price risk with respect to commodity prices, particularly tin. The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the market price of commodities. The Company monitors commodity prices in forecasting its cash flow requirements for the funding of its ongoing exploration and corporate activities and estimated development costs in bringing assets into production. The Company does not presently invest in commodity hedges to mitigate this risk.

5. MARKETABLE SECURITIES

The Company holds common shares in two TSX-V listed companies (January 31, 2018 –three TSX-V listed companies) and in two private mineral exploration companies (January 31, 2018 – one private mineral exploration company).

		January 31, 2019		January 31, 2018
	Cost	**Fair market value****	Cost	Fair market value
Various public companies	$ 94,000	$ 852,200	$ 320,525	$ 391,050
Private company shares	216,779	316,732	124,471	124,471
	$ 310,779	**$ 1,168,932**	$ 444,996	$ 515,521

**Includes 1,000,000 (January 31, 2018 – 3,500,000) common shares (fair market value of $850,000; January 31, 2018 - $385,000) of Westhaven Ventures Inc. ("Westhaven"), a company related to the Company by virtue of a common director (D. Grenville Thomas).

During the year ended January 31, 2019, the Company acquired common shares of private companies at a value of $92,308, of which $66,990 (January 31, 2018 - $124,471) is recorded as a recovery against exploration and evaluation assets (Note 10).

During the year ended January 31, 2019, the Company received net proceeds of $2,325,514 and recognized a gain of $2,047,864 from the sale of marketable securities. The gain on sale of marketable securities included $2,046,599 relating to the sale of Westhaven shares.

During the year ended January 31, 2019, the Company recorded an unrealized gain of $838,753 (January 31, 2018 - $48,068) associated with the change in fair value of marketable securities.

(Expressed in Canadian dollars)

6. RECEIVABLES

		January 31, 2019		January 31, 2018
VAT receivables	**$**	**10,799**	$	150,062
GST receivables		**3,778**		7,806
Related party receivable		**99**		-
Other receivables		**-**		495
Total	**$**	**14,676**	$	158,363

7. DEFERRED FINANCING FEES

Deferred financing fees of $552,758 (January 31, 2018 - $406,311) consist primarily of legal, accounting and related professional fees incurred in connection with a proposed listing of the Company's common shares and a concurrent financing on the Alternative Investment Market ("AIM") in London, UK. The deferred financing fees will be applied against the gross proceeds on completion of the equity financing. In the event that a listing and concurrent equity financing on AIM are not completed, the deferred financing fees will be expensed.

(Expressed in Canadian dollars)

8. PROPERTY, PLANT AND EQUIPMENT

Cost	Computer equipment	Software	Furniture & fixtures	Land & site	Motor vehicles	Water treatment plant* (in progress)	Equipment	Total
As at January 31, 2017	$ 53,154	$ -	$ 6,000	$ 665,000	$ 33,000	$ -	$ 306,000	$ 1,063,154
Additions	31,426	29,171	20,294	-	-	560,718	21,535	663,144
Disposals	(2,168)	-	-	-	-	-	-	(2,168)
As at January 31, 2018	82,412	29,171	26,294	665,000	33,000	560,718	327,535	1,724,130
Additions	17,879	7,527	3,752	846,835	-	2,660,028	-	3,536,021
Capitalized borrowing costs**	-	-	-	98,930	-	218,573	-	317,503
Disposals***	(50,986)	-	(6,221)	-	-	-	(55,766)	(112,973)
Transfers****	-	-	1,380	-	(14,082)	(197,955)	12,702	(197,955)
As at January 31, 2019	**$ 49,305**	**$ 36,698**	**$ 25,205**	**$1,610,765**	**$ 18,918**	**$ 3,241,364**	**$ 284,471**	**$ 5,266,726**
Accumulated depreciation								
As at January 31, 2017	$ (44,919)	$ -	$ (700)	$ -	$ (5,775)	$ -	$ (53,550)	$ (104,944)
Depreciation	(2,977)	-	-	-	-	-	-	(2,977)
Capitalized depreciation	(3,102)	(14,585)	(3,089)	-	(8,168)	-	(78,965)	(107,909)
As at January 31, 2018	(50,998)	(14,585)	(3,789)	$ -	(13,943)	-	(132,515)	(215,830)
Depreciation	(3,779)	(3,763)	-	-	-	-	-	(7,542)
Capitalized depreciation	(8,056)	(14,586)	(5,726)	-	(3,829)	-	(95,143)	(127,340)
Disposals	47,423	-	2,705	-	-	-	33,475	83,603
Transfers****	-	-	(405)	-	5,950	-	(5,545)	-
As at January 31, 2019	**$ (15,410)**	**$ (32,934)**	**$ (7,215)**	**$ -**	**$ (11,822)**	$ -	**$ (199,728)**	**$ (267,109)**
Net book value								
As at January 31, 2018	$ 31,414	$ 14,586	$ 22,505	$ 665,000	$ 19,057	$ 560,718	$ 195,020	$ 1,508,300
As at January 31, 2019	**$ 33,895**	**$ 3,764**	**$ 17,990**	**$1,610,765**	**$ 7,096**	**$ 3,241,364**	**$ 84,743**	**$ 4,999,617**

*The water treatment plant (in progress) is currently not depreciated. Depreciation will commence once the asset is complete and available for its intended use.

**Borrowing costs of $317,503 were capitalized to the water treatment plant and land acquisition.

***Assets with a net book value of $29,370 have been scrapped or sold during the year resulting in a loss on disposal of $28,870.

**** Certain costs from prior year included in the water treatment plant ($197,955) have been reclassified to exploration and evaluation assets to ensure consistency in categorization. The Company has also reclassified certain assets to ensure consistency in categorization.

(Expressed in Canadian dollars)

9. ROYALTIES

Mactung and Cantung Royalty Acquisition

In March 2016, the Company purchased from Teck Resources Limited ("Teck") a 4% NSR on the Mactung tungsten project (one-half of which (2%) may be purchased by the property owner at any time for $2,500,000) and a 1% NSR on the Cantung tungsten project (collectively, the "Royalties"). The Mactung project (non-producing) is located in the Yukon and the Northwest Territories in Canada; the Cantung project (non-producing) is located in the Northwest Territories in Canada. The Company paid $1,500,000 to Teck upon closing of the acquisition and will make a further $1,500,000 payment to Teck on the earlier of a development decision at Mactung or the re-commencement of commercial production at Cantung.

Osisko Gold Royalties Ltd. ("Osisko"), a significant shareholder of the Company, provided a $1,500,000 interest-free line of credit to the Company to complete the royalty acquisition (Note 13).

Subsequent to the reporting date, an agreement had been reached with Osisko for the settlement of this line of credit (Note 23).

10. EXPLORATION AND EVALUATION ASSETS

	January 31, 2018 (as reclassified*)	Transfer from water treatment plant**	Expended during the year	**January 31, 2019**
Tin Properties, Alaska, USA				
Exploration costs	$ 18,810	$ -	$ 23	**$ 18,833**
Tenure costs	118,598	-	54,931	**173,529**
Geological and assays	6,388	-	-	**6,388**
Office and remuneration costs	3,587	-	-	**3,587**
Asset acquisition	656,134	-	-	**656,134**
	803,517	-	54,954	**858,471**
South Crofty, Cornwall, UK				
Exploration costs	561,208	-	268,470	**829,678**
Tenure and utility costs	311,818	197,955	211,392	**721,165**
Office and remuneration costs	997,143	-	844,269	**1,841,412**
Capitalized depreciation	169,040	-	127,340	**296,380**
Asset acquisition	3,023,374	-	-	**3,023,374**
Recovery of costs	(124,471)	-	(66,990)	**(191,461)**
	4,938,112	197,955	1,384,481	**6,520,548**
	$ 5,741,629	$ 197,955	$ 1,439,435	**$ 7,379,019**

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION ASSETS – *Continued*

	January 31, 2017*	Expended During the Year	**January 31, 2018***
Tin Properties, Alaska, USA			
Exploration costs	$ 17,491	$ 1,319	**$ 18,810**
Tenure costs	69,558	49,040	**118,598**
Geological and assays	6,388	-	**6,388**
Office and remuneration costs	3,507	80	**3,587**
Asset acquisition	656,134	-	**656,134**
	753,078	50,439	**803,517**
South Crofty, Cornwall, UK			
Exploration costs	290,581	270,627	**561,208**
Tenure and utility costs	148,527	163,291	**311,818**
Office and remuneration costs	291,384	705,759	**997,143**
Capitalized depreciation	60,025	109,015	**169,040**
Asset acquisition	2,843,374	180,000	**3,023,374**
Recovery costs	-	(124,471)	**(124,471)**
	3,633,891	1,304,221	**4,938,112**
	$ 4,386,969	$ 1,354,660	**$ 5,741,629**

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties is in good standing.

* Categories of exploration and evaluation assets have been reclassified to conform to current year presentation.

** Certain costs from prior year included in the water treatment plant have been reclassified to exploration and evaluation assets to ensure consistency in categorization.

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION ASSETS - *Continued*

a) South Crofty Tin Project, Cornwall, UK

On March 16, 2016 the Company entered into a Share Purchase Agreement ("SPA") with Galena Special Situations Fund ("Galena") and Tin Shield Production Ltd. ("Tin Shield") (collectively, the "Sellers"). Under the terms of this SPA, on July 11, 2016, the Company acquired, from administration, a 100% interest in the South Crofty Tin Project and associated mineral rights in Cornwall, UK. The Company, through its wholly-owned subsidiary SBW UK owns a 100% interest in Western United Mines Limited ("WUML") and Cornish Minerals Limited (Bermuda) (collectively the "Companies"). The Companies hold the rights to the South Crofty underground mine permission area, plus additional mineral rights located in various parts of Cornwall, UK.

This transaction was accounted for as an asset acquisition as at the time of the transaction, neither WUML nor Cornish Minerals Limited (Bermuda) met the definition of a business. The consideration paid was allocated to the acquired assets based on their fair values on the date of acquisition of July 11, 2016. The purchase price of the acquisition has been primarily allocated as follows:

Purchase price		
Common shares issued (2,000,000 shares)	**$**	**400,000**
Exit from administration		**248,820**
Tin Shield reimbursement for operating costs		**318,000**
Tin Shield payment (US$80,000)		**104,968**
Commitment to issue shares		**2,000,000**
Transaction costs		**781,586**
	$	**3,853,374**

Net Assets Acquired		
Equipment	**$**	**345,000**
Land and site		**665,000**
Exploration and evaluation assets		**2,843,374**
	$	**3,853,374**

In addition to the cash and common share consideration of $1,853,374 paid on July 11, 2016, the Company agreed to the following additional payments and share issuances under the terms of the SPA:

- Strongbow to make a $2,000,000 payment to the Sellers on the second anniversary of the approval vote by creditors for WUML's exit from administration (date set at June 10, 2018). While Strongbow had the right to settle 50% of this payment in cash, the Company decided to settle 100% of this payment with the issuance of common shares and recorded a commitment to issue shares totaling $2,000,000 at the date of acquisition. During the year ended January 31, 2019, the Company issued 8,456,664 shares in satisfaction of this commitment (Note 14).

- Strongbow to issue 1,000,000 common shares to the Sellers upon receipt of a permit to increase water discharge from the old mine workings from 10,000m^3 per day to 25,000m^3 per day (issued November 1, 2017 at a value of $180,000).

- Strongbow to issue 2,000,000 common shares to the Sellers on delivery of a positive feasibility study or commencement of commercial production, whichever occurs first.

- Strongbow to make a cash and / or common share payment to the Sellers equal to 25% of the Net Present Value ("NPV") of the project upon making a decision to go into production. In the event that Strongbow's market capitalization is less than the NPV of the project when a production decision is made, Strongbow will pay the equivalent of 25% of its market value to the Sellers and the balance (between the 25% of market value and 25% of the NPV of the project) will be paid out as a 5% Net Profits Interest from production.

10. EXPLORATION AND EVALUATION ASSETS – *Continued*

a) South Crofty Tin Project, Cornwall, UK – *Continued*

- In the event that Strongbow transfers any assets, rights, or entitlements to certain mineral rights which are not part of the core mineral rights (the "Other Mineral Rights") to a third party before the agreed consideration has been paid to the Sellers, then the Sellers will be entitled to receive a payment equal to 10% of any consideration received for the Other Mineral Rights, to a maximum of $1,000,000.

In March 2018, the Company, Galena and Tin Shield entered into a side letter to the SPA (the “March 2018 side letter”). This side letter amended the terms of the deferred cash and share compensation payable to the Sellers in connection with the acquisition of the South Crofty Tin Project, provided that the Company’s shares are listed on AIM prior to January 1, 2019.

Upon admission to AIM, the Company will pay US$6,000,000 to the Sellers (the “AIM Listing Payment”), of which US$3,000,000 will be payable in cash with the balance of US$3,000,000 to be settled through the issuance of Strongbow common shares. Pricing of the Strongbow common shares will be based on the common shares issued as part of the AIM listing and will have the same rights as the common shares listed on AIM. In the event that the AIM listing occurs after June 10, 2018, the Company will make the $2,000,000 payment due to the Sellers on June 10, 2018 (as noted above), and this payment will be applied against the AIM Listing Payment. On June 10, 2018, the Company issued 8,456,664 in common shares, totaling $2,000,000 to Galena and Tin Shield satisfying this requirement.

When completed, the AIM Listing Payment will replace the following payment obligations under the SPA:

- The $2,000,000 payment to the Sellers on the second anniversary of the approval vote by creditors for WUML's exit from administration (completed on June 10, 2018);
- The issuance of 2,000,000 common shares to the Sellers on delivery of a positive feasibility study or commencement of commercial production, whichever occurs first.

If a production decision is made for the South Crofty Tin Project, the Company will make a second payment of US$6,000,000 (payable in cash and/or common shares at the Company’s election) to the Sellers within five business days of the completion and release to the Company of proceeds from any debt or equity financings to be used for project development (the “Development Payment”). The Development Payment will replace the Company’s obligation to make a cash and / or common share payment to the Sellers equal to 25% of the NPV of the project upon making a decision to go into production.

The March 2018 side letter included a longstop date that if the Company fails to list on AIM by January 1, 2019, the March 2018 side letter shall not apply and the terms from the original SPA will remain in force. On December 10, 2018, a further side letter was executed with Galena and Tin Shield which extended the longstop date to June 30, 2019.

10. EXPLORATION AND EVALUATION ASSETS – *Continued*

b) Cornish Lithium Exploration Option Agreement

In January 2017, SBW UK and Cornish Lithium Limited ("CLL"), a private, UK company, entered into an exploration option agreement whereby CLL has the right to explore for, and potentially develop, lithium in hot springs brines and associated geothermal energy from the Company's mineral rights in Cornwall, UK. The Company will have a 25% free carried interest in the first project to have a bankable feasibility study completed on it, after which the Company will be required to contribute its share of development costs or be diluted. The Company will have a 10% free carried interest on subsequent development projects as well as a 2% gross revenue royalty payable from the production of metals from brines or from any geothermal energy produced and sold by CLL.

Under the terms of the agreement, CLL agreed to issue common shares with a value US$50,000 concurrently with its first financing (received – August 2017) and, to keep the agreement in good standing, to issue CLL common shares with a value of US$50,000 on the first (received – January 2018), second (received – January 2019), third and fourth anniversary of the agreement. From the fifth anniversary date of the agreement, CLL will make annual payments of US$100,000, in cash or common shares of CLL, at its election. From the tenth anniversary date of the agreement, CLL will make annual payments of US$500,000 in cash or common shares of CLL, at its election, of which 50% of the payment will be considered an advance royalty payment. During the year ended January 31, 2019, the Company recorded a recovery against exploration and evaluation assets of $66,990 (January 31, 2018 - $124,471) for the fair value of the CLL shares received.

c) Sleitat and Coal Creek Tin Properties, Alaska, U.S.A.

On July 24, 2015, the Company acquired the Sleitat and Coal Creek tin properties in Alaska (collectively, the "Properties") subject to the terms of a property purchase agreement (the "Agreement") with Osisko and Mr. R. Netolitzky, and their respective wholly-owned companies. Mr. Netolitzky was a director of the Company at the time of the acquisition. The Company acquired the Properties for total consideration of 6,500,000 common shares of the Company and a 2% NSR on the properties. The common shares were issued at $0.10 per share for a value of $650,000 with transaction costs of $6,134 incurred.

In addition to the shares and the NSR, the Company granted Osisko a first right of refusal on the sale of any future royalties on any of the Company's Properties.

d) Gold and Base Metal Properties, British Columbia, Canada

Skoonka Creek Gold Property

In May 2017, the Company sold its 65.74% interest in the Skoonka Creek Gold Property ("Skoonka") to Westhaven. Almadex Minerals Ltd. ("Almadex") also agreed to sell its 34.26% interest in the Skoonka property to Westhaven. Under the terms of the property purchase agreement amongst Strongbow, Almadex and Westhaven, Westhaven issued a total of 2,000,000 common shares to Strongbow and Almadex, of which 1,300,000 common shares were allocated to Strongbow and 700,000 common shares were allocated to Almadex. In addition, Almadex retained a 2% NSR on Skoonka. Westhaven is related to the Company by virtue of a common director (D. Grenville Thomas). The 1,300,000 common shares received were recorded at a value of $117,000 and credited to generative exploration costs (recovery) since the property had no carrying value.

Shovelnose Property

The Company acquired, by staking, a 100% interest in certain mineral claims comprising the Shovelnose property in October 2005. The Company expanded the Shovelnose property by staking additional mineral claims in November 2008.

On September 9, 2015, the Company and Westhaven entered into a property purchase agreement. The Company sold its interest in the Shovelnose property in exchange for 2,000,000 common shares of Westhaven and a 2% NSR which can be reduced to 1%, at Westhaven's option, for $500,000. The Company continues to retain the 2% NSR.

Subsequent to the reporting date, it was announced that agreement had been reached with Osisko for the transfer of the royalty on the Shovelnose property (Note 23).

(Expressed in Canadian dollars)

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		January 31, 2019		January 31, 2018
Trade payables	$	**185,532**	$	301,795
Accrued liabilities		**74,421**		304,800
Related party payable		**10,063**		13,008
Total	$	**270,016**	$	619,603

12. DEBT AND ROYALTY OPTION

On January 26, 2018, the Company completed a secured convertible note financing (the "Note") with Osisko, a significant shareholder of the Company, for gross proceeds of $7,170,000. The Note is convertible into a 1.5% NSR on all metals and minerals produced from the South Crofty Tin Project (the "Osisko NSR"). The Note is secured by a first-ranking lien on all of the assets of the Company and its subsidiaries. If an event of default occurs under either the Note or the Osisko NSR, Osisko has the right to realize upon its security and become the owner of all of the Company's assets.

Osisko may not make a demand on the Note until the commencement of commercial production at the South Crofty Tin Project (or otherwise upon the occurrence of an event of default). No interest is to be payable on the principal amount outstanding under the Note until December 31, 2021 (or otherwise on the occurrence of an event of default), after which time interest will accrue at an annual rate of 10%. If commercial production is not achieved at the South Crofty Tin Project by December 31, 2025, all amounts owing under the Note would become due and payable.

Concurrently with this transaction, the Company and Osisko entered into a governance and financing agreement containing, among other things, the grant to Osisko of an option to purchase the Osisko NSR in exchange for the Note (the "Royalty Option"). If, as and when Osisko exercises the Royalty Option, the Company and its affiliates will enter into a royalty agreement with Osisko (the "Royalty Agreement"), and the Company's performance and payment obligations will continue to be secured by the first ranking lien of Osisko. Once the Company has made royalty payments in excess of US$7.5 million, the scope of the first ranking liens will be reduced.

The Company received gross proceeds of $7,170,000 from the sale of the Note, which was recorded at a fair value of $4,283,486 using a 14% discount rate. The carrying value of the debt, net of transaction costs totalling $366,054 ($3,917,432), will be accreted up to the debt's face value over the estimated term of the debt. The difference between the gross proceeds received and the fair value recorded for the Note has been recorded as a Royalty Option. The Royalty Option is a non-financial liability that has been recorded at a cost of $2,886,514; transaction costs of $246,673 allocated to the Royalty Option on a pro-rata basis have been expensed in professional fees in the year ended January 31, 2018.

		Year ended January 31, 2019		Year ended January 31, 2018
Opening balance	$	**3,917,432**	$	3,917,432
Accretion – charged to profit or loss		**290,958**		-
Accretion – capitalized to property, plant and equipment		**317,503**		-
Ending balance	$	**4,525,893**	$	3,917,432

13. LONG-TERM LIABILITY

Line of Credit provided by Osisko

On March 15, 2016, Osisko, a significant shareholder of the Company, provided a $1,500,000 interest-free line of credit (the "Loan") to the Company to complete the acquisition of two royalties from Teck (Note 9). The Company must repay the Loan upon any sale of the Mactung project by the Government of the Northwest Territories; the Loan is secured by the royalties. Repayment of the Loan will be by conveyance of the royalties to Osisko at Osisko's election at any time after the sale of the Mactung project by the Government of the Northwest Territories, or in cash under certain other circumstances. Any failure to repay the Loan is considered an event of default (a "Default"). In the event of a Default, the $1,500,000 principal will be repayable immediately in cash and interest of 5% will also be payable, calculated from the drawdown date of the Loan to the date of repayment. The Loan is secured by a charge on the two royalties.

(Expressed in Canadian dollars)

13. LONG-TERM LIABILITY – *Continued*

Line of Credit provided by Osisko – *Continued*

		Year ended January 31, 2019		Year ended January 31, 2018
Opening balance	**$**	**1,283,047**	$	1,115,693
Accretion		**192,457**		167,354
Ending balance	**$**	**1,475,504**	$	1,283,047

The estimated present value of this payment obligation has been calculated using a discount rate of 15%. As at the March 2016 acquisition date, the Company estimated that the Mactung Project would be sold within a three-year period, thereby triggering a repayment of the $1.5 million line of credit. The $507,665 difference between the acquisition cost and the net present value of the loan has been treated as a capital contribution to the Company from Osisko, since Osisko is a significant shareholder of the Company. At the reporting date, the Company did not anticipate that the Mactung Project will be sold within the next twelve months, thereby triggering repayment of the Loan, and consequently the Loan has been classified as non-current.

Subsequent to the reporting date, an agreement had been reached with Osisko for the settlement of the Loan in return for the transfer of a royalty on the Shovelnose property held by Westhaven (Note 23). As this agreement was reached subsequent to the reporting date, the Loan remains classified as non-current as of January 31, 2019.

14. CAPITAL AND RESERVES

Authorized share capital

At January 31, 2019, the authorized share capital is an unlimited number of common shares without par value. All issued shares are fully paid.

Share issuances – Year ended January 31, 2019

The Company issued 454,833 common shares upon the exercise of warrants for proceeds of $90,967, and 8,456,664 common shares were issued to Galena and Tin Shield at a value of $2,000,000 pursuant to the terms of the South Crofty acquisition agreement (Note 10).

Share issuances –Year ended January 31, 2018

The Company issued, on a private placement basis, 15,714,228 common shares at $0.14 per common share for gross proceeds of $2,199,992 and 569,500 common shares upon the exercise of warrants for proceeds of $113,900. The Company also issued 1,000,000 common shares at a value of $180,000 pursuant to the terms of the South Crofty acquisition agreement (Note 10).

Stock options and warrants

The Company has a "10% rolling" stock option plan (the "Plan"). The maximum aggregate number of common shares issuable pursuant to options awarded under the stock option plan and outstanding from time to time may not exceed 10% of the issued and outstanding common shares from time to time.

Under the terms of the Plan, options will be exercisable over periods of up to five years as determined by the Board of Directors and must have an exercise price not less than the closing market price of the Company's shares prevailing on the day that the option is granted. Under the Plan, the Board of Directors may from time to time authorize the grant of options to directors, officers, employees and consultants of the Company and its subsidiaries, or employees of companies providing management or consulting services to the Company or its subsidiaries.

The Plan provides that the directors have the discretion to impose vesting of options and that, unless otherwise specified by the directors, vesting will occur generally as to 20% on the grant date and 20% every three months thereafter, becoming fully vested one-year from the date of grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant.

As at January 31, 2019, the following stock options and warrants were outstanding:

(Expressed in Canadian dollars)

14. CAPITAL AND RESERVES - *Continued*

Stock options and warrants – *Continued*

	Number of shares		Exercise price	Number exercisable	Expiry date
Options	2,020,000	$	0.11	2,020,000	October 23, 2020
	2,450,000	$	0.15	2,450,000	January 3, 2022
	2,340,000	$	0.20	2,340,000	November 3, 2022
Warrants*	14,605,000	$	0.20	14,605,000	June 28, 2019
	3,621,000	$	0.20	3,621,000	July 15, 2019
	150,000	$	0.20	150,000	July 19, 2019

**All of the outstanding warrants are subject to the Acceleration Right described below*

Acceleration Right – 2016 private placement financings

If on any 20 consecutive trading days the closing price of the Company's common shares (or the closing bid, if no sales were reported on a trading day) as quoted on the TSX-V (or such other stock exchange, quotation system or market on which such shares are then listed) is greater than $0.50 during the term of the warrants, then the Company may accelerate the expiry date of the warrants to the 30th day after the date on which the Company gives notice to the subscriber of such acceleration in accordance with the warrants. Any warrants not exercised on or before such 30th business day will expire and will no longer be exercisable to acquire shares.

Stock options

Stock option transactions for the years ended January 31, 2019 and 2018 are summarized as follows:

	Number of options	Weighted average exercise price
Balance, January 31, 2017	4,920,000	$ 0.13
Granted	2,540,000	0.20
Balance, January 31, 2018	7,460,000	0.16
Forfeited	(650,000)	0.15
Balance, January 31, 2019	**6,810,000**	**$ 0.16**
Number of options exercisable as at January 31, 2019	**6,810,000**	**$ 0.16**

Warrants

Warrant transactions for the year ended January 31, 2019 and 2018 are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance, January 31, 2017	38,627,082	$ 0.20
Warrants exercised	(569,500)	0.20
Warrants expired	(4,430,500)	0.20
Balance, January 31, 2018	33,627,082	0.20
Warrants exercised	(454,833)	0.20
Warrants expired	(14,796,249)	0.20
Balance, January 31, 2019	**18,376,000**	**$ 0.20**

During the year ended January 31, 2019, a total of 454,833 warrants were exercised for proceeds of $90,967 (2018: 569,500 warrants for proceeds of $113,900).

(Expressed in Canadian dollars)

14. CAPITAL AND RESERVES - *Continued*

Share-based compensation – *Continued*

During the year ended January 31, 2019, the Company did not grant any stock options.

During the year ended January 31, 2018, the Company granted 2,540,000 stock options to directors, officers, employees and consultants with an estimated fair value of $445,420. As at January 31, 2019, the stock options were fully vested. The stock options are exercisable at $0.20 until November 3, 2022.

During the year ended January 31, 2019, the Company recorded $167,376 in share-based compensation expense (2018 - $420,208) for options vesting during the year.

The Company used the following assumptions to estimate a fair-value for the stock options granted during the year ended January 31, 2018:

	Year ended January 31, 2018
Risk-free interest rate	**1.63%**
Expected dividend yield	**0%**
Expected stock price volatility	**174%**
Expected option life in years	**5 years**
Forfeiture rate	**0%**

15. CAPITAL MANAGEMENT

The capital of the Company consists of the items included in capital and reserves as set out in the consolidated statement of financial position. The Company manages its capital structure based on the nature and availability of funding, and the timing of expected or committed expenditures. The Company's capital management policy is to maintain sufficient capital to support the acquisition, exploration and future development of its exploration and evaluation assets and to provide sufficient funds for its corporate activities.

The Company's exploration and evaluation assets are in the exploration stage. As an exploration stage company, the Company is currently unable to self-finance its operations. The Company has historically relied on equity financings and asset sales, or a combination thereof, to finance its activities. The Company forecasts its future capital requirements by planning the exploration and future development activities to be undertaken on its exploration and evaluation assets, and assessing the level of corporate activities that are necessary to support the growth and development of the Company.

The Company is not subject to any externally imposed capital requirements. There were no changes to the Company's approach to capital management during the period.

16. COMMITMENTS

As at January 31, 2019, the Company is committed to minimum future lease payments for office premises, and monthly contractual payments to utility providers and mineral lease owners as follows (office lease costs may be reduced through sub-lease recoveries):

Year ending January 31, 2020	$	131,883
Year ending January 31, 2021	$	116,523
Year ending January 31, 2022	$	26,434
Year ending January 31, 2023 and 2024	$	3,504

In addition to the above commitments, the Company is liable to make payments to owners of mineral properties within the underground mine permission area of the South Crofty Tin Project which the Company leases for the purposes of ore extraction. Upon commencement of the mining phase, payment to mineral owners will take the form of either:

- an advance payment of $87,500 per annum during periods when there is no production from the respective owner's mineral rights, or
- a NSR payable on ore extracted from property that falls within the mineral rights held by the owner which varies according to the prevailing tin price.

(Expressed in Canadian dollars)

17. CONTINGENT LIABILITY

Upon the Company achieving admission to AIM, the Company is contracted to pay US$6,000,000 to the Sellers, as defined in Note 10, under the terms of a side letter to the SPA, less application of a payment of $2,000,000 made on June 10, 2018 satisfied through the issuance of 8,456,664 common shares. Furthermore, if a positive production decision is made for the South Crofty tin project, the Company will make a second payment of US$6,000,000 to the Sellers when funding for the project is completed and advanced (Note 10).

Such payments constitute contingent liabilities at the reporting date. Should these payments crystallise, the charge for these liabilities would be recognised directly in the related exploration and evaluation assets.

18. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2019	2018
Income (loss) before income taxes	**$ 325,976**	$ (2,240,233)
Expected income tax (recovery)	**88,000**	(603,000)
Permanent difference	**(396,000)**	113,000
Change in statutory, foreign tax, foreign exchange rates and other	**99,000**	(74,182)
Share issue cost	**-**	(109,000)
Adjustment to prior year's provision versus statutory returns	**(22,000)**	(82,000)
Changes in unrecognized deductible temporary differences	**231,000**	748,000
Income tax recovery	**$ -**	$ (7,182)

In September 2017, the British Columbia ("BC") government proposed changes to the general corporate income tax rate to increase the rate from 11% to 12% effective January 1, 2018 and onwards. This change in tax rate was substantively enacted on October 26, 2017. The relevant deferred tax balances have been remeasured to reflect the increase in the Company's combined Federal and Provincial (BC) general corporate income tax rate from 26% to 27%.

The significant components of the Company's unrecorded deferred tax assets and liabilities are as follows:

	2019	2018
Deferred tax assets (liabilities)		
Exploration and evaluation assets	**$ 4,089,000**	$ 4,152,000
Property and equipment	**143,000**	137,000
Share issue costs	**122,000**	113,000
Marketable securities	**(116,000)**	(40,000)
Debt with accretion	**58,000**	(59,000)
Allowable capital losses	**708,000**	991,000
Non-capital losses available for future period	**2,697,000**	2,176,000
	7,701,000	7,470,000
Unrecognized deferred tax assets	**(7,701,000)**	(7,470,000)
Net deferred tax assets	**$ -**	$ -

(Expressed in Canadian dollars)

18. INCOME TAXES - *Continued*

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	2019	Expiry dates	2018
Property and equipment	**$ 626,000**	no expiry date	$ 570,000
Share and debt issue costs	**451,000**	2020 to 2023	418,000
Investment tax credits	**-**	2027 to 2034	717,000
Exploration and evaluation assets	**13,876,000**	no expiry date	13,390,000
Marketable securities	**(858,000)**	no expiry date	(297,000)
Debt with accretion	**218,000**	no expiry date	(217,000)
Allowable capital losses	**2,621,000**	no expiry date	3,671,000
Non-capital losses available for future period	**10,391,000**	2029 to 2039	8,269,000
Canada	**9,284,000**	2029 to 2039	7,702,000
USA	**47,000**	2036 to 2039	24,000
UK	**1,060,000**	no expiry date	543,000

19. EARNINGS (LOSS) PER SHARE DATA

	Year ended January 31, 2019	Year ended January 31, 2018
Weighted average common shares outstanding:	**83,474,393**	67,239,691
Plus net incremental shares from assumed conversions:		
Options	**1,382,422**	-
Diluted weighted average common shares outstanding:	**84,856,815**	67,239,691

For the periods where the Company records a loss, the Company calculates diluted loss per share using the basic weighted average number of shares. If the diluted weighted average number of shares was used, the result would be a reduction in the loss, which would be anti-dilutive.

20. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the years ended January 31, 2019 and 2018:

a) Paid $18,000 to North Arrow Minerals Inc. ("North Arrow"), a company with two common directors, for office space and administrative services and $4,802 for information technology support services (2018 - $18,000); and

b) Paid $Nil for office rent (2018 - $18,436) to Helio Resource Corp. ("Helio"), a company with two common directors, and $3,399 (2018 - $7,944) as a cost reimbursement.

c) In January 31, 2018, entered into an office lease assignment agreement with Helio (Note 16) whereby Helio's existing security deposit with the landlord of $10,964 was transferred to the Company upon payment of an additional $6,664 to Helio; Helio had held a $4,300 security deposit from the Company pursuant to a sublease agreement for office space.

Included in accounts payable and accrued liabilities is $4,000 due to North Arrow for information technology support services (2018 - $2,000); $2,511 (2018 - $Nil) and $3,552 (2018 - $Nil) due to Matthew Hird, Strongbow's Chief Financial Officer and Owen Mihalop, Strongbow's Chief Operating Officer, respectively, for the reimbursement of expenses; and $Nil (2018 - $11,008) due to KEA Minerals, a company controlled by Owen Mihalop, for consultancy services.

Transactions with related parties concluded in previous years are disclosed in Notes 5, 10, 12 and 13 of these financial statements.

(Expressed in Canadian dollars)

20. RELATED PARTY TRANSACTIONS – *Continued*

Key management includes the Company's directors and officers. Compensation awarded to key management was as follows:

	Year ended	
	January 31, 2019	January 31, 2018
Salaries and benefits[1]	**$ 545,919**	$ 425,414
Share-based payments[2]	**109,081**	314,616
Total	**$ 655,000**	$ 740,030

1 Allocated $482,392 (2018 - $273,333) to salaries and benefits and $63,527 (2018 - $152,081) to professional fees.

2 Share-based payments are the fair value of options that have been granted and vested to directors and key management personnel.

21. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the year ended January 31, 2019 the significant non-cash transactions were:

a) The recognition of an $838,753 unrealized gain on marketable securities through the income statement;

b) Included in exploration and evaluation assets is capitalized depreciation of $127,340 and $69,597 which relates to accounts payable and accrued liabilities;

c) Included in deferred financing fees is $61,457 which relates to accounts payable and accrued liabilities;

d) Included in property, plant and equipment is capitalized borrowing costs of $317,503 (Note 12) and $8,246 which relates to accounts payable and accrued liabilities;

e) Exploration and evaluation assets have been reduced by $66,990 which represents the estimated fair value of common shares of a private company received pursuant to a property option agreement (Notes 5 and 10);

f) The issuance of 8,456,664 common shares with a value of $2,000,000 on June 10, 2018 pursuant to the terms of the South Crofty acquisition agreement (Note 10).

During the year ended January 31, 2018 the significant non-cash transactions were:

a) The recognition of an $48,068 unrealized gain on marketable securities through the investment revaluation reserve and a related income tax recovery of $7,183;

b) Included in exploration and evaluation assets is capitalized depreciation of $107,909 and $21,867 which relates to accounts payable and accrued liabilities;

c) Included in deferred financing fees is $108,213 which relates to accounts payable and accrued liabilities;

d) Included in property, plant and equipment is $144,060 which relates to accounts payable and accrued liabilities;

e) Included in transaction costs (netted against debt) is $120,010 which relates to accounts payable and accrued liabilities;

f) Exploration and evaluation assets have been reduced by $124,471 which represents the estimated fair value of common shares of a private company received pursuant to a property option agreement (Notes 5 and 10); and

g) A $117,000 recovery of generative exploration costs was recognized representing the estimated fair value of 1,300,000 common shares of Westhaven received (Note 5).

(Expressed in Canadian dollars)

22. SEGMENTED INFORMATION

The Company operates in one business segment, being the exploration and evaluation of mineral properties in North America and the United Kingdom as follows:

	As at January 31, 2019				As at January 31, 2018			
	Canada	**United States**	**United Kingdom**	**Total**	Canada	United States	United Kingdom	Total
Deposits	$ 10,964	$ -	$ 56,621	**$ 67,585**	$ 10,964	$ -	$ 18,129	$ 29,093
Property, plant and equipment	15,384	-	4,984,233	**4,999,617**	7,573	-	1,500,727	1,508,300
Royalties	1,500,000	-	-	**1,500,000**	1,500,000	-	-	1,500,000
Exploration and evaluation assets	-	858,471	6,520,548	**7,379,019**	-	803,517	4,938,112	5,741,629

23. SUBSEQUENT EVENT

Settlement of Loan advanced by Osisko

On May 8, 2019, an agreement had been reached with Osisko for the settlement of the $1,500,000 Loan (Note 13) in return for the transfer of a royalty on the Shovelnose property held by Westhaven (Note 10 (d)). The ownership of the Shovelnose royalty will be transferred to Osisko for a purchase price equal to the amount of the Loan provided by Osisko to the Company in March 2016 for the purchase of the Mactung and Cantung royalties. The purchase price will be paid by Osisko by way of set-off against the outstanding debt in full satisfaction of the Loan. Closing of the transaction is subject to approval of the TSX-V.