GRANDE PORTAGE RESOURCES LTD.
(An Exploration Stage Company)
Condensed Interim Consolidated Financial Statements
July 31, 2017 and 2016
(Expressed in Canadian Dollars)

Index	Page

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and all information in the quarterly report are the responsibility of the Board of Directors and management. These condensed interim consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Management maintains the necessary systems of internal controls, policies and procedures to provide assurance that assets are safeguarded and that the financial records are reliable and form a proper basis for the preparation of financial statements.

The Board of Directors ensures that management fulfils its responsibilities for financial reporting and internal control through an Audit Committee. This committee, which reports to the Board of Directors, meets with the independent auditors and reviews the financial statements.

The condensed interim consolidated financial statements for the nine-month period ended July 31, 2017 and 2016 are unaudited and prepared by Management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

"Ian Klassen" (signed)	*"Michele Pillon" (signed)*
..................…………………......	..................…………………......
Ian Klassen	Michele Pillon
President, CEO and Director	Chief Financial Officer

Vancouver, British Columbia
September 29, 2017

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT JULY 31, 2017 AND 2016
(Expressed in Canadian Dollars)

	Note	July 31, 2017	October 31, 2016
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		448,720	196,730
Marketable securities	7	1,123	1,553
Amounts receivable		7,147	12,165
Prepaid expenses		6,465	15,920
		463,455	226,368
RECLAMATION BONDS	6	-	-
EXPLORATION AND EVALUATION ASSETS	8	4,807,930	4,326,701
		5,271,385	4,553,069
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		309,890	407,429
		309,890	407,429
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	9	19,247,113	18,141,072
SUBSCRIPTIONS RECEIVED		-	165,450
RESERVES		2,000,649	1,842,517
DEFICIT		(16,286,267)	(16,003,399)
		4,961,495	4,145,640
		5,271,385	4,553,069

Nature of Operations and Going Concern (Note 1)
Commitment (Note 13)
Subsequent Events (Note 14)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

"Ian Klassen"	Director	*"Alistair MacLennan"*	Director
Ian Klassen		Alistair MacLennan	

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THE NINE MONTHS ENDED JULY 31, 2017 AND 2016
(Expressed in Canadian Dollars)

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2017	2016	**2017**	2016
Administrative expenses				
Management fees	**$ 42,150**	$ 40,500	**$ 126,450**	$ 121,500
Legal and accounting	**13,770**	14,406	**72,480**	52,734
Office and miscellaneous	**3,132**	5,158	**14,000**	8,212
Regulatory and transfer agent fees	**7,567**	8,924	**24,782**	25,265
Rent	**4,500**	4,500	**13,500**	13,500
Investor & shareholder relations	**1,606**	1,998	**4,492**	3,669
Share-based compensation	**84,100**	97,100	**84,100**	97,100
Travel & promotion	**1,353**	309	**2,754**	310
Total expenses	**(158,178)**	(172,895)	**(342,558)**	(322,290)
Other items				
Foreign Exchange loss (gain)	**(329)**	226	**(2,130)**	(777)
Sale of equipment	**-**	-	**6,650**	-
Sale and transfer of Crown Grants	**-**	-	**55,600**	-
Unrealized gain / (loss) on marketable securities	**(572)**	619	**(430)**	994
Write down of mineral property costs		(2,500)		(2,500)
Interest & investment income	**-**	108	**-**	121
	(901)	727	**59,690**	(2,162)
Gain / (Loss) for the period	**(159,079)**	(174,442)	**(282,868)**	(324,452)
Deficit, beginning of period	**(16,127,188)**	(15,767,023)	**(16,003,399)**	(15,617,013)
Deficit, end of period	**$ (16,286,267)**	$ (15,941,465)	**$ (16,286,267)**	$ (15,941,465)
Gain / (Loss) per share	**$ 0.01**	$ 0.01	**$ 0.01**	$ 0.02
Weighted average number of shares outstanding	**20,239,857**	11,955,237	**18,325,271**	8,966,904

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED JULY 31, 2017 AND 2016
(Expressed in Canadian Dollars)

	Issued Capital Shares Note 5(b)	Amount	Subscriptions Received	Contributed Surplus	Deficit	Total
		$		$	$	$
Balance, October 31, 2015	**6,950,239**	**17,722,547**	**-**	**1,744,517**	**(15,617,013)**	**3,850,051**
Shares issued for private placement	5,005,000	250,250	-	-	-	250,250
Finders' fee on private placement		(5,075)	-	-	-	(5,075)
Share-based compensation	-	-	-	97,100	-	97,100
Comprehensive loss	-	-	-	-	(324,452)	(324,452)
Balance, July 31, 2016	**11,955,237**	**17,967,722**	**-**	**1,841,617**	**(15,941,465)**	**3,867,874**
Balance, October 31, 2016	**13,137,568**	**18,141,072**	**165,450**	**1,842,517**	**(16,003,399)**	**4,145,640**
Shares issued for Private Placement	7,831,999	1,174,800	(165,450)	-	-	1,009,350
Finders' fee paid	-	(44,927)	-	-	-	(44,927)
SBC on Finders' warrants	-	(23,832)	-	23,832	-	-
SBC on Option grant		-		134,300		134,300
Comprehensive loss	-	-	-	-	(282,868)	(282,868)
Balance, July 31, 2017	**20,969,567**	**19,247,113**	**-**	**2,000,649**	**(16,286,267)**	**4,961,495**

On February 18, 2016, the Company enacted a consolidation of its common shares on the basis of ten pre-consolidation shares for one post-consolidation share. All current and comparative references to the number of shares, warrants, options, weighted average number of common shares and loss per share have been retroactively adjusted to reflect the share consolidation. See Note 10.

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED JULY 31, 2017 AND 2016
(Expressed in Canadian Dollars)

For the	**Three Months Ended July 31, 2017**	**Three Months Ended July 31, 2016**	**Nine Months Ended July 31, 2017**	**Nine Months Ended July 31, 2016**
Cash provided by (used for)				
Operating activities				
Net loss for the period	$ **(159,079)**	$ (174,442)	$ **(282,868)**	$ (324,452)
Items not involving cash:				
Share-based compensation on option grant	**134,300**	97,100	**158,132**	97,100
Unrealized (loss) gain on marketable securities	**572**	(619)	**430**	(994)
Net change in non-cash working capital	**(24,207)**	(77,961)	**(124,306)**	(228,346)
Accounts receivable	**13,835**	(14,074)	**5,018**	(1,750)
Prepaid expenses	**(2,132)**	-	**9,455**	-
Accounts payable	**54,521**	76,959	**(97,539)**	53,173
	66,224	(15,076)	**(83,066)**	(176,923)
Investing activities				
Expenditures on exploration and evaluation assets	**(383,806)**	(505)	**(481,229)**	(31,077)
Financing activities				
Shares issued for cash, net of costs	**178,000**	-	**1,106,041**	245,175
Share subscriptions converted to shares	**-**	-	**(165,450)**	-
	178,000	-	**940,591**	245,175
Net increase (decrease) in cash	**(163,789)**	(15,581)	**251,990**	37,175
Cash, beginning of period	**612,509**	58,337	**196,730**	5,581
Cash, end of period	**$ 448,720**	**$** 42,756	$ **448,720**	**$** 42,756

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Grande Portage Resources Ltd. (the "Company") was incorporated under the Business Corporations Act of British Columbia. The Company is an exploration stage public company whose principal business activity is the exploration for and development of natural resource properties, namely gold in Alaska. The Company's shares are listed for trading on the TSX Venture Exchange under the symbol GPG.

The address of the Company's corporate office and principal place of business is #501 - 595 Howe Street, Vancouver, British Columbia, V6C 2T5.

The Company is in the process of exploring its exploration and evaluation assets and has not yet determined whether they contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

The Company incurred a net loss of $282,868 (2016 - $324,452) for the nine months ended July 31, 2017 and has an accumulated deficit of $16,286,267 (October 31, 2016 - $16,003,399) which has been funded primarily by the issuance of equity. The Company's ability to continue as a going concern is dependent upon the generation of profits from exploration and evaluation assets, obtaining additional financing or maintaining continued support from its shareholders and creditors. These factors raise significant doubt on the Company's ability to continue as a going concern. While the Company has been successful in obtaining financing in the past, there is no assurance that such financing will continue to be available or be available on favourable terms in the future. An inability to raise additional financing may impact the future assessment of the Company as a going concern. In the event that additional financial support is not received or operating profits are not generated, the carrying values of the Company's assets may be adversely affected.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements. In assessing the appropriateness of the going concern assumption management is required to consider all available information about the future, which is at least, but not limited to, twelve months from the year end date. Management has carried out an assessment of the going concern assumption and has concluded that it is appropriate that the consolidated financial statements are prepared on a going concern basis. Accordingly, these consolidated financial statements do not reflect any adjustments to the carrying value of assets and liabilities, or the impact on the consolidated statements of loss and consolidated statements of financial position classifications that would be necessary were the going concern assumption not appropriate.

2. BASIS OF PREPARATION

a) Statement of Compliance

These unaudited condensed interim consolidated interim financial statements have been prepared in accordance the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interim Financial Reporting IAS 34.

These unaudited condensed interim consolidated financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the Company's October 31, 2016 audited annual consolidated financial statements.

These unaudited condensed interim consolidated financial statements were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on September 29, 2017.

2. BASIS OF PREPARATION (continued)

b) Consolidation and Measurement

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, GPG Alaska Resources Inc. All material inter-company balances and transactions have been eliminated upon consolidation.

These condensed interim consolidated financial statements are prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 4. The consolidated financial statements are presented in Canadian dollars unless otherwise noted. The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

3. APPLICATION OF NEW ACCOUNTING STANDARDS

Accounting standards adopted in the current period

During the nine months ended July 31, 2017, there were no new standards, interpretations or amendments to existing standards which the Company was required to adopt.

New accounting standards issued but not yet effective
Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following standards became effective November 1, 2016:

IAS 1 – *Presentation of Financial Statements* - In December 2014, the IASB issued an amendment to address perceived impediments to preparers exercising their judgment in presenting their financial reports. The changes clarify that materiality considerations apply to all parts of the financial statements and the aggregation and disaggregation of line items within the financial statements.

IAS 16 – *Property, Plant and Equipment* and IAS 38 – *Intangible Assets* - In May 2014, the IASB issued amendments to IAS 16 and IAS 38. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

The following standards will be effective for annual periods beginning on or after November 1, 2018:

IFRS 9 – *Financial Instruments* - In November 2009, as part of the IASB project to replace IAS 39 *Financial Instruments: Recognition and Measurement*, the IASB issued the first phase of IFRS 9 *Financial Instruments*, that introduce new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities.

3. APPLICATION OF NEW ACCOUNTING STANDARDS (continued)

New accounting standards issued but not yet effective (continued)

IFRS 15 – *Revenue from Contracts with Customers* - In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

The extent of the impact of adoption of these standards and interpretations on the consolidated financial statements of the Company has not been determined.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and highly liquid market investments with original terms of maturity of less than ninety days at time of acquisition, or which are redeemable at the option of the Company.

b) Exploration and Evaluation Assets

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

All exploration and evaluation costs incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized as exploration and evaluation assets and are classified as intangible assets. Such expenditures include, but are not limited to, exploration license expenditures, leasehold property acquisition costs, evaluation costs including drilling costs directly attributable to a property, and directly attributable general and administrative costs including share-based payments to geologists. General exploration costs not related to specific exploration and evaluation property are expensed as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Recorded costs of mineral properties and deferred exploration costs are not intended to reflect present or future values of resource properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Exploration and evaluation assets are tested for impairment and no amortization is taken during the exploration and evaluation phase.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, capitalized costs of the related property are reclassified as mining assets. Upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Exploration and Evaluation Assets (continued)

Exploration costs renounced due to flow-through share subscription agreements remain capitalized, however, for corporate income tax purposes, the Company has no right to claim these costs as tax deductible expenses. The Company's entitlement to mineral exploration tax credits are accounted for on an accrual basis to reduce the exploration costs.

i) Impairment

Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present; the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned or budgeted, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications that in an area with development likely to proceed the carrying amount is unlikely to be recovered in full be development or sale. The related property costs are written down to management's estimate of their net recoverable amount.

The recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation or alternatively the sale of the respective areas of interest.

c) Basic and Diluted Loss per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings/loss per share does not adjust the loss attributable to common shareholders or the weight average number of common shares outstanding when the effect is anti-dilutive.

d) Share-Based Payment Transactions

The Company grants share options to acquire common shares of the Company to directors, officers, employees and consultants. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period for employees using the graded method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured, the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes option pricing model.

e) Share Issuance Cost

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to expenses.

(Expressed in Canadian Dollars)

5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's financial instruments are categorized in a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

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

The Company's financial instruments include cash and cash equivalents, marketable securities and accounts payable.

The fair value of cash and cash equivalents and marketable securities are determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. As at July 31, 2017, the Company believes that the carrying values of accounts payable approximate their fair values because of their nature and relatively short maturity dates or durations.

Assets measured at fair value on a recurring basis were presented on the Company's consolidated statements of financial position as of July 31, 2017, as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1) $	Significant Other Observable Inputs (Level 2) $	Significant Unobservable Inputs (Level 3) $	July 31, 2017 $
Financial Assets:				
Cash and cash equivalents	448,220	–	–	448,220
Marketable securities	1,123	–	–	1,123

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists with respect to the Company's cash and cash equivalents and marketable securities as all are placed with two major Canadian financial institutions. The Company is not exposed to significant credit risk on its cash and cash equivalents and marketable securities as all have been placed with major financial institutions.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. At July 31, 2017, the Company had working capital of $153,565 (October 31, 2016 – Deficiency of $181,061). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. As at July 31, 2017, the Company has adequate working capital to discharge its existing financial obligations.

(Expressed in Canadian Dollars)

5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

c) Interest Rate Risk

The Company is not subject to any significant interest rate risk. In management's opinion, the Company's interest rate risk is minimal as its cash equivalents may be redeemed upon demand without significant penalty.

d) Foreign Currency Risk

The Company's currency risk exposures arise from transactions denominated in foreign currencies. The Company's foreign exchange risk arises primarily with respect to the United States dollars ("USD"). The Company incurs exploration expenditures denominated in the USD. Fluctuations in the exchange rates between United States dollars and Canadian dollars could have a material effect on the Company's business, financial condition and results of options. The result of sensitivity analysis conducted by the Company shows an increase (decrease) of 10% in the foreign exchange rates between USD and Canadian Dollar could result in an increase (decrease) of the Company's net assets by approximately $21,070 (2016 - $4,200). The Company does not engage in any hedging activity.

e) Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities may be subject to risks associated with fluctuations in the market price of commodities. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

f) Market Risk

The Company's financial instruments include marketable securities which are publicly traded and therefore subject to the risks related to the fluctuation in market prices. The Company closely monitors market values to determine the most appropriate course of action.

6. RECLAMATION BONDS

The Company placed Guaranteed Interest Certificates ("GICs") in trust as reclamation deposits pursuant to a condition of receiving consent from a government agency to explore its resource property interests. As at July 31, 2017, the Company held GICs totaling US$42,472 (CAD$57,352) (2016 - $15,000). During the year ended October 31, 2016, the Company redeemed $15,000 of GICs by fulfilling its asset retirement obligations on its mineral properties for which the GICs were placed in trust as reclamation deposits.

7. MARKETABLE SECURITIES

At July 31, 2017:

Investees	**Shares**	**Cost**	**Fair Value**
Public Companies:		**$**	**$**
Quaterra Resources Inc.	3,000	2,118	270
Canabo Medical Inc (formerly Four River Ventures)	1,875	22,500	853
Total		24,618	1,123

Marketable securities have been recorded at their fair value as of July 31, 2017, in accordance with the Company's policy described in Note 4(k). The Company did not sell any of its marketable securities during the nine months ended July 31, 2017.

(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS

	Herbert Gold Property
Balance, October 31, 2016	4,326,701
Acquisition costs:	
Shares issued	-
Cash payments and other	26,860
	26,860
Deferred exploration costs:	
Reclamation Bond	57,352
Consulting	1,129
Drilling	89,741
Field expenses	9,705
Food / lodging	37,872
Freight	3,069
Fuel	3,731
Geological fees	40,406
Helicopter rentals	90,938
Legal fees	18,178
Site personnel	27,231
Share-based compensation	50,200
Storage / office rental	20,841
Travel	3,976
Total additions	481,229
Balance, July 31, 2017	**4,807,930**

a) Merry Widow Property

Pursuant to an option agreement dated March 25, 2004, the Company acquired an undivided 100% legal and beneficial interest in certain Crown granted mineral claims situated in the Nanaimo Mining Division of British Columbia, by payment of $75,000 and issuance of 45,000 common shares of the Company. The investment in the Merry Widow Property was subject to a 2% net smelter return, with a minimum advance payment of $16,000 due each calendar year following the year the option was exercised. The Company had the option to purchase 100% of the net smelter return for $750,000.

During the year ended October 31, 2014, the Company decided not to proceed with any further exploration work and as a result all previous recorded exploration and evaluation costs were written off.

During the nine-month period ended July 31, 2017, the Company sold and transferred the Crown granted mineral claims relating to the Merry Widow Property to a third party.

8. EXPLORATION AND EVALUATION ASSETS (continued)

b) Herbert Gold Project

Pursuant to an agreement dated June 16, 2010, as amended on June 12, 2012, (the "Option Agreement") with Quaterra Alaska, Inc. ("Quaterra"), the Company was granted and has exercised an option to acquire a 65% interest in a mining lease dated November 1, 2007 (the "Mining Lease") for the Herbert Gold property, consisting of 84 mining claims, located 20 miles north of Juneau, Alaska. The Company was required to incur at least USD$1,250,000 (incurred) under the Option Agreement in exploration expenditures on the property to acquire its 65% interest.

During the year ended October 31, 2016, the Company entered into a purchase agreement with Quaterra to acquire the remaining 35% interest in the Herbert Gold Project in exchange for the issuance of 1,182,331 common shares (issued) on a non-diluted basis, equal to 9% of the Company's outstanding common shares and a cash payment of $250,000 USD (due within 90 days of the earlier of: the delivery of a favorable feasibility report on the Herbert Gold Project; or change of control of the Company; or sale of the Herbert Gold Project). The 1,182,331 common shares issued to Quaterra are currently being held by the Company pending the successful registration of the assignment of the remaining 35% interest to the Company.

During the current reporting period, Quaterra and Grande Portage completed the Assignment and Assumption agreements transferring the remaining 35% interest to Grande Portage and the Company has released the 1,182,331 shares to Quaterra.

The Herbert Gold Project is subject to a 5% net smelter returns royalty reserved to an underlying lessor, plus minimum annual advance royalties of $20,000 USD due November 1, 2017, increasing to $30,000 USD in subsequent years. All advance royalties will be credited towards any net smelter returns royalty paid upon the commencement of commercial production.

Realization of assets

The investment in and expenditures on exploration and exploration assets comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

8. EXPLORATION AND EVALUATION ASSETS (continued)

Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its property interests and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former property interests that may result in material liability to the Company.

9. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value.

b) Issued

As at July 31, 2017, there were 20,969,567 common shares issued and outstanding (October 31, 2016: 13,137,568).

(i) On June 23, 2017, the Company closed a previously announced non-brokered private placement financing and raised gross proceeds of $190,000 through the sale of 1,266,666 Units. Each Unit consists of one common share in the capital of the Company (each a "Common Share") and one-half (1/2) common share purchase warrant (a "Warrant"). Each whole Warrant will be exercisable at $0.25 to purchase an additional common share (each a "Warrant Share") for a period of 18 months following the Closing Date. The Company will issue 633,333 whole common share purchase warrants as part of the Units.

The Warrant will also include an acceleration clause whereby if the trading price of the Issuer's shares on the TSX Venture Exchange for 10 consecutive trading days (the "Premium Trading Days") exceeds $0.50 per share during the exercise period the expiry time of the warrants shall be accelerated, at the option of the Company, such that the expiry time will be 30 calendar days. This 30-day period will commence seven (7) calendar days after the tenth Premium Trading Day.

The Company paid a total of $12,000 in finder's fees and has issued 80,000 broker warrants associated with the closing. Proceeds from the financing will be used to advance exploration activities at the Company's Herbert Gold property located in S.E. Alaska as well as for general working capital.

9. SHARE CAPITAL (continued)

(ii) On March 1, 2017, the Company closed a previously announced non-brokered private placement financing and raised gross proceeds of $339,800 through the sale of 2,265,333 Units. Each Unit consists of one common share in the capital of the Company (each a "Common Share") and one-half (1/2) common share purchase warrant (a "Warrant"). Each whole Warrant will be exercisable at $0.25 to purchase an additional common share (each a "Warrant Share") for a period of 18 months following the Closing Date. The Company will issue 1,132,667 whole common share purchase warrants as part of the Units.

The Warrant will also include an acceleration clause whereby if the trading price of the Issuer's shares on the TSX Venture Exchange for 10 consecutive trading days (the "Premium Trading Days") exceeds $0.50 per share during the exercise period the expiry time of the warrants shall be accelerated, at the option of the Company, such that the expiry time will be 30 calendar days. This 30-day period will commence seven (7) calendar days after the tenth Premium Trading Day.

The Company paid a total of $15,208 in finder's fees and has issued 101,383 broker warrants associated with the closing. Proceeds from the financing will be used to advance exploration activities at the Company’s Herbert Gold property located in S.E. Alaska as well as for general working capital.

(iii) On December 6, 2016, the Company completed a non-brokered private placement with the issuance of 4,300,000 Units for gross proceeds of $645,000. Each Unit consists of one common share and one share purchase warrant exercisable for a period of 18 months at $0.25 per whole warrant.

(iv) On April 13, 2016, the Company completed a non-brokered private placement with the issuance of 5,005,000 Units for gross proceeds of $250,250. Each Unit consists of one common share and one share purchase warrant exercisable for a period of 24 months at $0.075 per whole warrant.

(v) On August 3, 2016, the Company issued 1,182,331 common shares for the Herbert Gold property. The details of the transaction are described in Note 8(b).

(vi) On February 19, 2016, the Company consolidated its outstanding common shares on the basis of one post-consolidated share for ten pre-consolidated shares held, rounded to the nearest share. The total outstanding common shares of 69,502,392 were consolidated to 6,950,239. The outstanding shares, weighted average outstanding shares and loss per share information have been retrospectively adjusted to reflect this change. In addition, all share issuances, options and warrant transactions have been retrospectively adjusted to reflect the changes.

c) Stock options

Effective October 31, 2012, the Company adopted a revised rolling stock option plan under whereby a maximum of 10% of the issued shares will be reserved for issuance under the plan. The stock option plan provides for the granting of stock options to directors, officers, employees, consultants, consulting company or management company employees, and eligible charitable organizations. Shares issuable under the plan to insiders as a group, or to any one optionee, consultant, and investor relation person are restricted up to a limit of 10%, 5%, 2% and 2%, respectively, of the Company’s total number of issued and outstanding shares per year. An option shall be granted as fully vested, unless a vesting schedule is imposed by the board as a condition of the grant date and provided that if the option is being granted to an eligible person who is providing investor relating activities to the Company, then the option must vest in stages over at least a one-year period and not more than ¼ of such options may be vested in any three-month period.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (continued)

Details of the status of the Company's stock options as at July 31, 2017 are as follows:

	Number of Options	Weighted-Average Exercise Price
Balance, October 31, 2014	450,000	$ 1.70
Expired	(32,500)	1.90
Balance, October 31, 2015	417,500	1.60
Expired	(55,000)	1.50
Granted	800,000	
Balance, October 31, 2016	1,162,500	$ 0.61
Expired	(320,000)	1.70
Granted	900,000	0.20
Balance, July 31, 2017	**1,742,500**	**$ 0.51**

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for stock options granted to employees. Stock options granted to non-employee are valued using the Black-Scholes Option Pricing Model as the fair values of services received were not reliably measurable.

The fair value of the options granted was calculated using the following weighted average assumptions:

	2017	2016
Expected life (years)	5.00	5.00
Risk-free interest rate	1.52%	0.65%
Expected annualized volatility	140%	151%
Dividend yield	N/A	N/A
Stock price at grant date	0.19	$0.13
Exercise price	0.20	$0.15
Weighted average grant date fair value	$0.18	$0.12

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

As at July 31, 2017, the following stock options were outstanding and exercisable:

Outstanding Number of Options	Expiry Date	Exercise Price
		$
5,000	September 20, 2017	1.50
37,500	October 29, 2017	1.50
800,000	July 13, 2021	0.15
900,000	July 19, 2022	0.20
1,742,500		

The weighted average remaining contractual life of stock options outstanding at July 31, 2017 is 4.95 years (2016 – 4.95 years).

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (continued)

d) Warrants

The following table summarizes the continuity of the Company's warrants:

	Number of Warrants	Weighted-Average Exercise Price
Balance, October 31, 2016	5,106,500	$0.075
Granted	2,150,000	$0.25
Granted – Agents' Warrants	112,455	$0.25
Granted	1,132,667	$0.25
Granted – Agents' Warrants	101,383	$0.25
Granted	633,333	$0.25
Granted – Agents' Warrants	80,000	$0.25
Balance, July 31, 2017	**9,316,338**	**$0.16**

The warrants granted during the nine-month period ended July 31, 2017, expire on June 6, 2018, September 2, 2018, and December 23, 2018 respectively, and have a weighted average remaining contractual life of 1.12 years. Included in the warrants granted during the year ended October 31, 2016 are 101,500 agent warrants. The warrants granted expire on April 13, 2018 and have a weighted average remaining contractual life of 0.70 years.

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for agent warrants. The fair value of the finder warrants grant was calculated using the following weighted average assumptions:

	2017	2016
Expected life (years)	1.5	2.00
Risk-free interest rate	0.70%	0.56%
Expected annualized volatility	187%	167%
Dividend yield	N/A	N/A
Stock price at grant date	$0.16	$0.05
Exercise price	$0.25	$0.075
Weighted average grant date fair value	$0.11	$0.04

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS AND KEY PERSONNEL COMPENSATION

Included in accounts payable at July 31, 2017 is $202,086 (2016 - $254,576) owing for services to companies controlled by directors and officers of the Company. These amounts are unsecured, non-interest bearing, and are due on demand.

During the nine months ended July 31, 2017, the Company incurred the following related party transactions:

a) $25,230 (2016 - $17,235) in legal fees to a law firm of which a principal shareholder is a director of the Company;

b) The Company has identified its directors and senior officers as its key management personnel. No post-employment benefits, other long-terms benefits and termination benefits were made during the nine months ended July 31, 2017 and 2016. Short-term key management compensation consists of the following for the nine months ended July 31, 2017 and 2016:

	2017	2016
	$	$
Accounting fees	22,500	6,000
Management fees	126,450	121,500

During the nine months ended July 31, 2017, the Company entered into management fee agreements for the term of two years with a Director, the President, and the CFO of the Company (“Contractors”) in the amounts of annual compensation of $69,000, $99,600, and $30,000 per annum, respectively (see Note 13).

11. CAPITAL MANAGEMENT

The Company defines capital as all components of shareholders’ equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to any externally imposed capital requirements.

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There have been no changes to the Company’s approach to capital management during the nine months ended July 31, 2017.

(Expressed in Canadian Dollars)

12. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition and exploration of resource properties. The Company operates in both Canada and the U.S.A. The Company's exploration and evaluation assets in geographic locations are as follows:

	2017	2016
	$	$
U.S.A.	4,807,930	4,113,284

13. COMMITMENT

During the nine months ended July 31, 2017, the Company entered into management fee agreements with a Director, the President, and the CFO of the Company (see Note 11). The agreements can be terminated by the Company upon providing twelve months of notice, based on the mutual agreement or for just cause. In case of the absence of just cause of or the mutual agreement, the Company is required to pay a full twelve months of additional compensation upon termination.

14. SUBSEQUENT EVENTS

On August 10, 2017, the Company announced it had closed the first tranche of a non-brokered private placement consisting of 2,216,667 Units at a price of $0.15 per share consisted of one common share in the capital of the Company and one-half share purchase warrant to raise gross proceeds of $332,500. In connection with the first tranche of the Offering, the Company paid finder's fees of $17,400 cash and 116,000 warrants priced at $0.25 per share exercisable for a period of eighteen (18) months.

On August 22, 2017, the Company closed the 2nd and final tranche of the non-brokered private placement consisting of 700,000 Units at a price of $0.15 per share consisting of one common share in the capital of the Company and one-half share purchase warrant for gross proceeds of $105,000.

In connection with the second tranche of the Offering, the Company has agreed to pay finder's fees of $6,000 cash and 40,000 warrants priced at $0.25 per share exercisable for a period of eighteen (18) months. The common shares issued pursuant to this private placement are subject to a four month hold period. The second tranche of the Offering and payment of the finder's fees have been accepted by the TSX Venture Exchange.

In aggregate, the Company has issued 2,916,667 common shares at a price of $0.15 per share under the Offering, for gross proceeds of $437,500, paid $23,400 in finders' fees and issued 156,000 broker warrants. Due to demand from investors the Offering was increased from $350,000 to $437,500. The net proceeds of the Offering will be used to advance exploration activities at the Company's Herbert Gold property, where it is currently drilling as well as for general working capital.

Also, subsequent to the period end, the Company received proceeds of $145,575 for the exercise of 1,941,000 warrants at $0.075 and proceeds of $10,000 for the exercise of 50,000 options at $0.20.