Roscan Minerals Corporation

Financial Statements

(Expressed in Canadian Dollars)

For the Years ended October 31, 2017 and 2016

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Roscan Minerals Corporation

We have audited the accompanying financial statements of Roscan Minerals Corporation which comprise the statements of financial position as at October 31, 2017 and October 31, 2016 and the statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Roscan Minerals Corporation as at October 31, 2017 and October 31, 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes matters and conditions that indicate the existence of material uncertainties that may cast significant doubt about Roscan Minerals Corporation's ability to continue as a going concern.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
February 22, 2018
Toronto, Ontario

Roscan Minerals Corporation
Statements of Financial Position
(Expressed in Canadian Dollars)

As at	October 31, 2017	October 31, 2016
Assets		
Current		
Cash	**$ 18,181**	$ 2,269
Sales tax receivable	**4,797**	1,423
Prepaid expenses	**-**	833
	$ 22,978	$ 4,525
Liabilities		
Current		
Accounts payable and accrued liabilities (Notes 5, 8)	**$ 95,497**	$ 169,706
Loans due to related parties (Notes 5, 8)	**-**	67,000
	95,497	236,706
Equity (Deficiency)		
Share capital (Note 5)	**7,582,065**	7,126,207
Contributed surplus	**475,611**	453,081
Warrants (Note 5)	**194,792**	-
Deficit	**(8,324,987)**	(7,811,469)
	(72,519)	(232,181)
	$ 22,978	$ 4,525

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

Approved by the Board **"Donald Whalen"** Director **(Signed)** **"Gregory Isenor"** Director **(Signed)**

See accompanying notes

Roscan Minerals Corporation
Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)

Years ended October 31,		**2017**		2016
Expenses				
Corporate and administrative (Notes 6, 8)	**$**	**155,714**	$	90,350
Exploration and evaluation (Notes 7, 8)		**335,109**		-
Share-based payments (Notes 5, 8)		**22,530**		-
Foreign exchange loss		**165**		51
Net loss and comprehensive loss	**$**	**513,518**	$	90,401
Basic and diluted loss per share (Note 11)	**$**	**0.013**	$	0.003
Weighted average number of common shares outstanding - Basic and diluted		**40,571,388**		33,766,073

See accompanying notes

Roscan Minerals Corporation
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share Capital		Contributed			
	Number	Amount	Surplus	Warrants	Deficit	Total
Balance, October 31, 2015	33,766,073	$ 7,126,207	$ 453,081	$ -	$ (7,721,068)	$ (141,780)
Net loss for the year	-	-	-	-	(90,401)	(90,401)
Balance, October 31, 2016	33,766,073	7,126,207	453,081	-	(7,811,469)	(232,181)
Units issued by private placement (Notes 5, 8)	8,740,000	242,208	-	194,792	-	437,000
Shares issued for debt (Notes 5, 8)	4,520,000	226,000	-	-	-	226,000
Share issuance costs	-	(12,350)	-	-	-	(12,350)
Share-based payments (Notes 5, 8)	-	-	22,530	-	-	22,530
Net loss for the year	-	-	-	-	(513,518)	(513,518)
Balance, October 31, 2017	**47,026,073**	**$ 7,582,065**	**$ 475,611**	**$ 194,792**	**$ (8,324,987)**	**$ (72,519)**

See accompanying notes

Roscan Minerals Corporation

Statements of Cash Flows

(Expressed in Canadian Dollars)

Years ended October 31,	**2017**	2016
Cash provided by (used in)		
Operating activities		
Net loss	**$ (513,518)**	$ (90,401)
Items not affecting cash		
Share-based payments	**22,530**	-
Management fees	**10,000**	-
	(480,988)	(90,401)
Net changes in non-cash working capital		
Sales tax receivable	**(3,374)**	(676)
Prepaid expenses	**833**	-
Accounts payable and accrued liabilities	**63,791**	49,429
	(419,738)	(41,648)
Financing activities		
Loans from related parties (Note 8)	**190,000**	40,000
Loan repayments to related parties (Note 8)	**(179,000)**	-
Units issued by private placement	**437,000**	-
Share issuance costs	**(12,350)**	-
	435,650	40,000
Net change in cash	**15,912**	(1,648)
Cash, beginning of year	**2,269**	3,917
Cash, end of year	**$ 18,181**	$ 2,269

See accompanying notes

Supplemental Disclosure		
Shares issued for debt (Note 5)	**$ 226,000**	$ -

1. NATURE OF OPERATIONS AND GOING CONCERN

Roscan Minerals Corporation (the "Company" or "Roscan") is an exploration stage company involved in the business of acquiring, exploring and developing mineral properties. The Company holds an option to participate in a gold exploration project in Ghana (Note 7). The Company's shares are listed on the TSX Venture Exchange. The address of the Company's registered office is 365 Bay Street, Suite 400, Toronto, Ontario, M5H 2V1.

Going Concern

The business of exploration, development and mining of minerals involves a high degree of risk and there can be no assurances that future exploration activities will result in the discovery of economically recoverable mineral deposits. The success and continuation of the Company as a going concern is dependent upon the Company’s ability to arrange financing, which in part, depends on prevailing market conditions, acquiring or discovering economically viable mineral properties, exploration success and securing title and beneficial interest in its properties.

At October 31, 2017, the Company had a working capital deficiency of $72,519 (2016 - $232,181) and has incurred losses of $8,324,987 (2016 - $7,811,469) since inception.

Further funds will be required for the Company to continue as a going concern to fulfil its obligations and fund its activities. The Company does not have a regular source of cash flow and has not produced revenues from its exploration activities. There can be no assurance that the Company will be able to obtain sufficient financing in the future or at favourable terms.

These financial statements have been prepared using accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. However, due to uncertainties surrounding a number of factors, such as, but not limited to, ability to acquire mineral properties, exploration results, price of underlying commodities, investor sentiment and financial market conditions, it is not possible to predict if this assumption will prove to be accurate. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee.

The financial statements were approved and authorized for issue by the Board of Directors on February 22, 2018.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

These financial statements are presented in Canadian dollars, which is the Company's functional currency; and, are prepared on the historical cost basis, except for financial instruments classified as fair value through profit or loss, which are stated at their fair value.

The Company's accounting policies are as set out below and have been applied consistently to all years presented in these financial statements.

(b) Mineral Properties

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition cost of mineral properties, property payments and evaluation activities. Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

(c) Share-based Payments

The Company accounts for share-based payments using the fair value based method. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche of options issued to employees and others providing similar services is determined by using the Black-Scholes option pricing model. The fair value of each tranche of an award granted to non-employees is determined by the fair value of the goods or services received. If the fair value of goods or services received cannot be reliably measured, then the Black-Scholes option pricing model is used.

The fair value of stock options, adjusted for expected forfeitures, is recognized as share-based payments expense over each tranche's vesting period with an offsetting credit charged to contributed surplus. The applicable contributed surplus is transferred to share capital if and when, the stock options are exercised. Any consideration paid on the exercise of stock options is credited to share capital.

(d) Foreign Currency Translation

Foreign currency transactions are initially recorded in the entity's functional currency at the transaction date exchange rate. Monetary assets and liabilities not denominated in the functional currency of that entity are translated at the period end rates of exchange. Foreign currency adjustments are recognized in the statement of operations and comprehensive income.

(e) Share Issue Costs

Share issue costs are recorded as a reduction of share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Warrants

The Company follows the relative fair value method with respect to the measurement of common shares and warrants issued as private placement units. The proceeds from the issuance of units are allocated between share capital and warrants. Unit proceeds are allocated to shares and warrants using the Black-Scholes option pricing model and the share price at the time of financing.

If and when the warrants are exercised, the applicable relative fair value recognized in warrants is transferred to share capital. Any consideration paid on the exercise of the warrants is credited to capital stock. For those warrants that expire unexercised on maturity, the recorded value is transferred to contributed surplus.

(g) Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to discharge the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(h) Loss Per Share

Loss per share is computed by dividing the net loss by the weighted average number of shares outstanding during the year. Diluted loss per share is calculated based on the assumed conversion, exercise or contingent issuance of "in the money" securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share, at the weighted average market price during the period.

(i) Interest

The Company classifies interest received and interest paid as an operating cash flow within the statement of cash flows.

(j) Financial Instruments

Financial assets and liabilities classified as fair value through profit and loss ("FVTPL") are measured at fair value, with any resultant gain or loss recognized in the statement of operations and comprehensive income (loss). FVTPL assets consist of cash.

Financial instruments classified as being available-for sale are measured at fair value, with any resultant gain or loss being recognized directly under other comprehensive income (loss), except for impairment losses and, in the case of monetary items such as securities denominated in foreign currency, which are recorded in foreign exchange gains or losses. When these investments are derecognized, the cumulative gain or loss previously recognized in equity is recognized in the statement of operations and comprehensive income (loss). The Company does not currently have any available-for-sale assets.

Financial assets classified as loans and receivables are measured at amortized cost using the effective interest method. The Company does not currently have any financial assets classified as loans and receivables.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial Instruments (Cont'd)

Financial liabilities classified as other financial liabilities are measured at amortized cost using the effective interest rate method. Other financial liabilities consist of accounts payable and accrued liabilities and loans due to related parties.

Transaction costs associated with FVTPL financial instruments are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or liability.

(k) Income Taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the period using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred 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 and loss in the period that substantive enactment occurs.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(l) New Standards and Interpretations Issued But Not Yet Adopted

The following standards have been issued but are not yet effective:

(i) IFRS 9, which replaces IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 is built on a logical, single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. IFRS 9 also incorporates requirements for financial liabilities, most of which were carried forward unchanged from IAS 39. Certain changes were made to the fair value option for financial liabilities to address the issue of own credit risk. IFRS 9 removes the volatility in profit or loss caused by changes to the credit risk of liabilities elected to be measured at fair value. Requirements related to hedge accounting, representing a new hedge accounting model, have been added to IFRS 9. The new model represents a substantial overhaul of hedge accounting, which will allow entities to better reflect their risk management activities in financial statements. The most significant improvements apply to those that hedge non-financial risk, so these improvements are expected to be of particular interest to non-financial institutions. In addition, a single, forward-looking expected loss impairment model is introduced, which will require more timely recognition of expected credit losses. The effective date for IFRS 9, which is to be applied retrospectively, is for annual periods beginning on or after January 1, 2018.

(ii) IFRIC 22, Foreign Currency Transactions and Advanced Consideration, was issued in December 2016 and clarifies the accounting for transactions that include the receipt or payment of advanced consideration in a foreign currency. For purposes of determining the exchange rate to use on initial recognition , the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. IFRIC 22 is applicable for annual periods beginning on or after January 1, 2018.

The Company is currently evaluating the impact of the above standards on its financial performance and financial statement disclosures, but expects that such impact will not be material.

4. ESTIMATES AND JUDGEMENTS

The preparation of financial statements, in conformity with IFRS, requires the Company's management to make certain estimates and judgements that they consider reasonable and realistic. These estimates and judgements are based on historical experience, future expectations, economic conditions and other factors. By their nature, estimates and judgements are subject to measurement uncertainty and actual results could vary from estimates.

Significant estimates and judgements relate to:

- ability to continue as a going concern;
- measurement of share-based payments and warrant value;
- measurement of shares issued to settle debt; and
- recognition of deferred tax assets.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL

(a) Authorized

Unlimited common shares

(b) Issued

Common share transactions and the number of commons shares outstanding are as follows:

	Number	Amount
Balance, October 31, 2015 and 2016	**33,766,073**	**$ 7,126,207**
Shares issued by private placement (i, ii)	8,740,000	437,000
Value attributable to warrants (i, ii)	-	(194,792)
Shares issued as debt settlement (iii)	4,520,000	226,000
Share issuance costs	-	(12,350)
Balance, October 31, 2017	**47,026,073**	**$ 7,582,065**

(i) On April 26, 2017, the Company issued 4,300,000 units at $0.05 per unit for gross proceeds of $215,000. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.08 for a period of 12 months, expiring on April 26, 2018. If at any time, after August 26, 2017, the closing price of the common shares of the Company, as traded on the TSX Venture Exchange, equals or exceeds $0.15 for 20 consecutive trading days, the Company has the right to accelerate the expiry date of the warrants to a date which is 30 days following the date of the Company announcing the accelerated expiry. The value of the warrants was estimated at $96,139 using the relative fair value method.

(ii) On May 1, 2017, the Company issued 4,440,000 units at $0.05 per unit for gross proceeds of $222,000. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.08 for a period of 12 months, expiring on May 1, 2018. If at any time, after September 1, 2017, the closing price of the common shares of the Company, as traded on the TSX Venture Exchange, equals or exceeds $0.15 for 20 consecutive trading days, the Company has the right to accelerate the expiry date of the warrants to a date which is 30 days following the date of the Company announcing the accelerated expiry. The value of the warrants was estimated at $98,653 using the relative fair value method.

(iii) On April 26, 2017, the Company issued 4,520,000 shares at $0.05 per share in settlement of accounts payable and management fees totaling $148,000 and loans due to related parties of $78,000.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (Cont'd)

(c) Stock Options

Under the terms of the Company's stock option plan ("Plan"), the Company is authorized to issue up to a maximum of 10% of the issued common shares with an exercise period that is not to exceed ten years. The term, exercise price and vesting conditions of the options are fixed by the Board of Directors at the time of grant. All issued stock options were granted in accordance with the terms of the plan and expire five years from the date of grant.

Stock option transactions and the number of stock options outstanding are as follows:

	Number	Weighted Average Exercise Price
Balance, October 31, 2015 and 2016	**1,400,000**	**$0.05**
Grant [(i)]	450,000	$0.06
Balance, October 31, 2017	**1,850,000**	**$0.05**

(i) On November 7, 2016, the Company granted 150,000 stock options to a director. These options vested immediately and were issued with an exercise price of $0.05 and have a five year term, expiring on November 7, 2021. The fair value of the stock options granted was estimated at $5,050 using Black-Scholes pricing model.

On March 15, 2017, the Company granted 300,000 stock options to a director. These options vested immediately and were issued with an exercise price of $0.06 and have a five year term, expiring on March 15, 2022. The fair value of the stock options granted was estimated at $17,480 using Black-Scholes pricing model.

Fair value of these stock options was estimated at the grant date based on the Black-Scholes pricing model, with the following weighted average assumptions:

Dividend yield	$Nil
Expected volatility (based on historical prices)	193%
Risk-free rate of return	1.04%
Expected life	5 years
Share price	$0.052

During the year ended October 31, 2017, the Company recognized share-based payments expense of $22,530 (2016 - $Nil).

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (Cont'd)

(c) Stock Options (Cont'd)

The following summarizes information on the outstanding stock options:

Expiry Date	Number	Exercise Price	Exercisable	Weighted Average Remaining Life (years)
March 15, 2018 (ii)	100,000	$ 0.05	100,000	0.37
April 27, 2018 (ii)	250,000	0.05	250,000	0.49
September 18, 2019	1,200,000	0.05	1,200,000	1.87
March 15, 2022	300,000	0.06	300,000	4.37
	8,740,000	$ 0.05	1,850,000	2.01

(ii) During the year three directors left the Company and in accordance with the Plan the expiry date for these options was reduced to one year from the date the directors left the Company.

(d) Warrants

Warrant transactions and the number of warrants outstanding are as follows:

	Number	Weighted Average Exercise Price	Relative Fair Value
Balance, October 31, 2015 and 2016	**-**	**$ -**	**$ -**
Warrants issued (Note 5)	8,740,000	0.08	194,792
Balance, October 31, 2017	**8,740,000**	**$0.08**	**$ 194,792**

Relative fair value of the warrants were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

Dividend yield	$Nil
Expected volatility (based on historical prices)	249%
Risk-free rate of return	0.71%
Expected life	1 year
Share price	$0.095

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (Cont'd)

(d) Warrants (Cont'd)

The following summarizes information on the outstanding warrants:

Expiry Date	Number	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Relative Fair Value
April 26, 2018	4,300,000	$ 0.08	0.48	$ 96,139
May 1, 2018	4,440,000	0.08	0.50	98,653
	8,740,000	$ 0.08	0.49	$ 194,792

6. CORPORATE AND ADMINISTRATIVE

	2017	2016
Consulting	**$ 3,600**	$ -
Legal, audit and accounting (Note 8)	**45,261**	28,786
Management fees (Note 8)	**36,000**	36,000
Office	**5,829**	2,069
Premises	**4,200**	4,200
Regulatory fees (Note 8)	**13,858**	7,135
Shareholder relations and promotion	**11,050**	3,831
Transfer agent fees	**12,960**	5,976
Travel	**22,956**	2,353
	$ 155,714	$ 90,350

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION

Dormaa Project - Ghana

On November 7, 2016, the Company entered into an option and joint venture agreement (the "Option Agreement"), subsequently amended and restated on January 25, 2018, with Pelangio Exploration Inc. ("Pelangio") (Note 8), pursuant to which the Company and Pelangio established an earn-in arrangement to jointly advance an early-stage gold exploration project in Ghana (the "Dormaa Project"). Subject to the terms and conditions of the Option Agreement, the Company has the right (the "Option") to earn a 50% equity and participating interest in the Dormaa Project. In order to exercise the Option the Company shall:

(a) Pay Pelangio an aggregate of $260,000, as follows:

- (i) $10,000 on November 7, 2016 (paid);
- (ii) $50,000 on June 5, 2018; and
- (iii) $200,000 on June 5, 2019.

(b) Fund a total of $2,000,000 in exploration expenditures, as follows:

- (i) $150,000 by March 5, 2017 (paid);
- (ii) $150,000 by May 4, 2017 (paid);
- (iii) $700,000 by June 5, 2018; and
- (iv) $1,000,000 by June 5, 2019.

(c) Pay the applicable annual ground rent and mineral right fees during the Option period, when such costs are first due and payable.

Upon the exercise of the Option, a joint venture between the Company and Pelangio would be formed, whereby each party would have an initial 50% participating interest, and thereafter contribute funding on a proportionate basis or have its interest diluted.

Once formed, the joint venture would, hold 100% of the mineral rights to the Dormaa Project, subject to a 2% net smelter royalty ("NSR") on all ounces of gold recovered and a 10% free carried interest reserved for the government of Ghana. The joint venture retains the right to buy-back 50% (equivalent to 1%) of the NSR for USD $2,000,000.

	2017	2016
Acquisition costs - Option payments	**$ 10,000**	$ -
Acquisition costs - Exploration contributions	**300,000**	-
General and administrative	**58**	-
Reports	**11,208**	-
Travel	**13,843**	-
	$ 335,109	$ -

Exploration contributions represent funds provided to Pelangio to explore, evaluate, develop and operate the Dormaa Project.

(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS AND BALANCES

		2017		2016
Exploration and evaluation (i)	**$**	**310,000**	$	-
Legal, audit, and accounting (ii)		**19,952**		18,310
Management fees (iii)		**36,000**		36,000
Regulatory fees (iv)		**675**		225
Share-based payments (v)		**22,530**		-
Share issuance costs (ii)		**7,100**		-
	$	**396,257**	$	54,535

(i) Option payments and exploration contributions made pursuant to the Option Agreement were paid to Pelangio, a company related by virtue of a common director.

(ii) Legal fees were paid or become payable to a law firm in which a director of the Company is a partner.

(iii) Management fees were paid or become payable to a company controlled by an associate of a director/officer of the Company.

(iv) Filing fees were paid or become payable to a company controlled by a director of the Company.

(v) Share-based payments represents the fair value assigned to options granted to directors/officers (Note 5).

During the year, received cash loans of $190,000 (2016 - $40,000) from directors/officers or entities controlled by or associated with directors/officers. The Company repaid $179,000 (2016 - $Nil) of the cash loans during the year. The loans were non-interest bearing, unsecured and due on demand.

During the year, the Company settled debt owing to directors/officers or entities controlled by or associated with directors/officers of $207,000 by the issuance of 4,140,000 shares (Note 5), consisting of: loans due to related parties of $78,000 and accounts payable of $129,000.

During the year, directors/officers and an entity controlled by a director subscribed for $130,000 (2,600,000 shares) of the $437,000 in private placements closed (Note 5).

Included in accounts payable and accrued liabilities at October 31, 2017 is $59,695 (2016 - $139,412) payable to entities controlled by or associated with directors/officers.

(Expressed in Canadian Dollars)

9. KEY MANAGEMENT COMPENSATION

The Company considers its officers and directors to be key management. Key management are those persons having authority and responsibility for planning, directing and controlling activities, directly or indirectly, of the Company. Compensation of key management is summarized below.

		2017		2016
Short-term compensation	**$**	**63,727**	$	54,535
Share-based payments (Note 5)		**22,530**		-
	$	**86,257**	$	54,535

10. INCOME TAXES

(a) Income Tax Expense

The following table reconciles income taxes calculated at combined Canadian federal and provincial tax rates with the income tax expense in the financial statements:

		2017		2016
Loss before income taxes	**$**	**(513,518)**	$	(90,401)
Statutory rate		**26.5 %**		26.5 %
Expected income tax recovery	**$**	**(136,082)**	$	(23,956)
Share-based payments		**5,970**		-
Non-deductible expenses and other		**(3,888)**		(182)
Capital loss incurred		**-**		(40,862)
Change in deferred tax assets not recognized		**134,000**		65,000
Income tax expense	**$**	**-**	$	-

(b) Deferred Income Taxes

The temporary differences that give rise to future income tax assets and deferred income tax liabilities are presented below:

		2017		2016
Exploration and evaluation costs	**$**	**1,083,000**	$	994,000
Non-capital loss carryforwards		**463,000**		421,000
Share issue costs		**3,000**		-
Capital loss carryforwards		**182,000**		182,000
Net deferred tax asset		**1,731,000**		1,597,000
Less: Deferred tax assets not recognized		**(1,731,000)**		(1,597,000)
Net deferred income tax asset	**$**	**-**	$	-

(Expressed in Canadian Dollars)

10. INCOME TAXES (Cont'd)

(c) Loss and Tax Credit Carryforwards

At October 31, 2017 the Company has available non-capital losses to reduce future years' taxable income for Canadian tax purposes of approximately $1,746,000. These losses expire as follows:

2026	$ 173,000
2027	157,000
2028	389,000
2029	198,000
2030	117,000
2031	105,000
2032	115,000
2033	87,000
2034	78,000
2035	79,000
2036	91,000
2037	157,000
	$ 1,746,000

The Company has $299,679 of Canadian exploration and development costs and $3,787,362 of foreign exploration and development costs that can be carried forward indefinitely and used to offset future taxable income. Additionally, the Company has available $1,373,028 of capital losses that can be carried forward indefinitely to use against future taxable capital gains.

The potential tax benefit relating to these tax losses has not been reflected in these financial statements.

11. LOSS PER SHARE

Loss per share is calculated using the weighted average number of shares outstanding for the year. For the purposes of calculating the basic and diluted loss per share the effect of the potentially dilutive options and warrants were not included in the calculation as the result would be anti-dilutive.

12. CAPITAL MANAGEMENT

The Company's objectives when managing capital are: to safeguard its ability to continue as a going concern; and, have sufficient capital to be able to fund the exploration and development of its mineral properties and acquisition of other mineral properties, for the benefit of its shareholders.

As at October 31, 2017 the Company has working capital deficiency of $72,519 (2016 - $232,181).

12. CAPITAL MANAGEMENT (Cont'd)

The Company considers its capital structure to consist of shareholder equity. In order to maintain its capital structure, the Company is dependent on equity funding and loans from related parties. Funding through equity instruments is comprised of common shares, warrants and incentive stock options. The Board of Directors does not establish quantitative targets on its capital criteria for management, but relies on management to review its capital management methods and requirements on an ongoing basis and make adjustments accordingly to sustain future development of the business.

There were no changes in the Company's management of its capital during the year and is not subject to any externally imposed capital requirements.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments and Risk Management Fair Value of Financial Instruments

The carrying value of cash, accounts payable and accrued liabilities and loans due to related parties approximates fair value due to the relatively short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arms-length transaction between willing parties and is best evidenced by a quoted market price, if one exists.

IFRS 7 establishes a fair value hierarchy that prioritizes the valuation techniques for each financial instrument measured at fair value. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgement.

The methods and assumptions used to develop fair value measurements are: Level 1 - includes quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - includes inputs, other than quoted prices included in Level 1, that are observable for an asset or liability, either directly (i.e. as process) or indirectly (i.e. derived from process); and, Level 3 - includes inputs that are not based on observable data.

As at October 31, 2017 and 2016, cash was the only financial instrument classified within the fair value hierarchy and was classified as Level 1.

Risk Management

The primary goals of the Company's financial risk management procedures are to ensure that the outcome of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's financial position, from events that have the potential to materially impair its financial strength. These activities include the preservation of its capital by minimizing risk to the Company's cash.

The Company does not trade financial instruments for speculative purposes and does not have a risk management committee or written risk management policies.

(Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

Risk Management (Cont'd)

The Company's financial instruments are exposed to the risks described below:

(a) Credit Risk

Credit risk is the risk of financial loss to the Company, if one party to the financial instrument fails to discharge or meet their obligations. Financial instruments that potentially expose the Company to this risk relate to cash. The Company's risk is minimal since its cash is on deposit with a Canadian chartered bank.

(b) Liquidity Risk

Liquidity risk management requires maintaining sufficient cash, liquid investments or credit facilities to meet the Company's operating expenditures and commitments as they come due. The Company manages liquidity risk through the management of its capital structure as outlined in Note 12. The Company does not have any income from operations or a regular source of cash flow and is highly dependant on working capital and equity funding to support its exploration and corporate activities. There can be no assurance that the Company will be successful in its fund raising activities.

As at October 31, 2017, the Company had cash of $18,181 (2016 - $2,269 to settle current liabilities of $95,497 (2016 - $236,706). The Company does not have sufficient cash on hand to settle the obligations at October 31, 2017 and further fund raising will be required (Note 1).

14. SUBSEQUENT EVENTS

(a) On January 4, 2018, the Company entered into a Letter of Intent ("LOI") with Touba Mining SARL ("Touba") to acquire a 100% interest in the Kandiole-North permit (the "Property"), a gold exploration Property located in Mali. Per the terms of the LOI, in order to earn the 100% interest in the Property Roscan shall:

i) Pay Touba $23,000 on signing the LOI (paid).

ii) Pay Touba an aggregate of $80,000 over a three year period, apportioned in six month installments, as follows:

Due Date	Amount
Installment 1	$20,000
Installment 2	$20,000
Installment 3	$10,000
Installment 4	$10,000
Installment 5	$10,000
Installment 6	$10,000

14. SUBSEQUENT EVENTS (Cont'd)

iii) During the three year period, Roscan shall be responsible for maintaining the Property in good standing and performing any and all obligations required by law.

Touba shall retain a 5% Net Profit Interest and a 2% Net Smelter Return upon commencement of commercial production.

The terms and conditions of the acquisition is subject to completing a formal agreement with Touba.

(b) Subsequent to October 31, 2017, the Company received cash of $66,000 from advances provided by a director. These advances are non-interest bearing unsecured and due on demand.