CTEC
CENTRAL TIMMINS EXPLORATION CORP.

Unaudited Interim Condensed Financial Statements

For the three and nine months ended
September 30, 2018

CENTRAL TIMMINS EXPLORATION CORP.

MANAGEMENT'S RESPONSIBILITY FOR INTERIM FINANCIAL REPORTING

The accompanying interim condensed financial statements of Central Timmins Exploration Corp. (the "Company") are the responsibility of management and the Board of Directors of the Company.

The unaudited interim condensed financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim condensed financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the unaudited interim condensed financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") using accounting policies consistent with IFRSs appropriate in the circumstances.

The Board of Directors is responsible for reviewing and approving the unaudited interim condensed financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim condensed financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim condensed financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Charles Gryba"	"Arvin Ramos"
President and Director	Chief Financial Officer

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the unaudited interim condensed financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed financial statements of the Corporation have been prepared by and are the responsibility of the Company's management.

The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of unaudited interim condensed financial statements by an entity's auditor.

CENTRAL TIMMINS EXPLORATION CORP.

Interim Condensed Statements of Financial Position

(Expressed in Canadian Dollars)

	As at September 30, 2018	*As at December 31,* 2017
	(Unaudited)	(Audited)
	$	$
Assets		
Current Assets		
Cash *(Note 6)*	**178,222**	499,977
Receivables and other assets *(Note 7)*	**31,574**	-
	209,796	499,977
Liabilities		
Current Liabilities		
Trade and other payables *(Notes 8 and 10)*	**81,487**	472,586
Due to related parties *(Note 10)*	**-**	352,973
Premium liability on flow-through shares *(Note 12)*	**100,000**	-
	181,487	825,559
Shareholders' Equity		
Capital stock *(Note 11)*	**840,000**	150,000
Subscription receipts *(Note 3)*	**20,000**	-
Deficit	**(831,691)**	(475,582)
	28,309	(325,582)
Total Liabilities and Shareholders' Equity	**209,796**	499,977

Nature of Operations and Going Concern (Note 1)
Commitments and Contingencies (Note 12)
Subsequent Events (Note13)

Approved by the Board of Directors

"Julian Kemp"
Director

"Charles Gryba"
Director

The accompanying notes are an integral part of these unaudited interim condensed financial statements.

Interim Condensed Statement of Loss
and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended September 30, 2018	Nine months ended September 30, 2018
	$	$
Administrative Expenses		
Professional fees	**25,395**	**127,675**
General and administrative	**17,223**	**39,261**
Interest on related party loans	**-**	**5,465**
Shareholder Information	**9,856**	**13,575**
Investor relations and travel	**8,406**	**10,838**
Total Administrative Expenses	**(60,880)**	**(196,814)**
Exploration and evaluation expenditures *(Note 3)*	**(111,605)**	**(272,733)**
Gain on debt forgiveness *(Note 10 and 11)*	**-**	**113,438**
Net loss and comprehensive loss for the period	**(172,485)**	**(356,109)**
Loss per share - basic and diluted	**$ 0.006**	**$ 0.013**
Weighted average number of shares outstanding – basic and diluted	**28,800,000**	**25,918,681**

The accompanying notes are an integral part of these unaudited interim condensed financial statements.

(Expressed in Canadian Dollars)

	Capital Stock		Subscription Receipts			
	Number of shares	Amount	Number of subscription receipts	Amount	Deficit	Total
Balance at November 10, 2017	**-**	**$ -**	**-**	**$ -**	**$ -**	**$ -**
Private Placement *(Note 11)*	15,000,000	150,000	-	-	-	150,000
Net loss and comprehensive loss for the year	-	-	-	-	(475,582)	(475,582)
Balance at December 31, 2017	**15,000,000**	**$ 150,000**	**-**	**$ -**	**$ (475,582)**	**$ (325,582)**
Private Placement *(Note 11)*	8,900,000	545,000	-	-	-	545,000
Debt conversion *(Note 10 and 11)*	4,900,000	245,000	-	-	-	245,000
Premium liability on flow-through shares		(100,000)	-	-	-	(100,000)
Subscription receipts issued for property payment *(Note 3)*	-	-	200,000	20,000	-	20,000
Net loss and comprehensive loss for the period	-	-	-	-	(356,109)	(356,109)
Balance at September 30, 2018	**28,800,000**	**$ 840,000**	**200,000**	**$ 20,000**	**$ (831,691)**	**$ 28,309**

The accompanying notes are an integral part of these unaudited interim condensed financial statements.

(Expressed in Canadian Dollars)

Nine months ended September 30,	2018
Operating activities	**$**
Net loss for the period	**(356,109)**
Items not involving cash:	
Accrued interest on related party loans	**5,465**
Gain on debt forgiveness	**(113,438)**
Subscription receipts issued for property payment	**20,000**
Change in non-cash working capital:	
Receivables and other assets	**(31,574)**
Trade and other payables	**(391,099)**
	(866,755)
Financing activities	
Proceeds from private placement	**545,000**
	545,000
Decrease in cash	**(321,755)**
Cash at beginning of period	**499,977**
Cash at end of period	**178,222**

The accompanying notes are an integral part of these unaudited interim condensed financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Central Timmins Exploration Corp. (the "Company" or "CTEC") was incorporated on November 10, 2017 under the laws of the Canada Business Corporations Act.

The Company's head office is located at 200 Bay Street, Suite 2350, Toronto, ON, Canada, M5J 2J2. The Company is an exploration stage company whose current focus is on acquiring interests in exploration properties in Timmins, Ontario, Canada. Substantially all of the Company's efforts are devoted to financing and acquiring these properties. There has been no determination whether the Company's interests in mineral properties will contain mineral reserves which are economically recoverable.

On July 25, 2018, the Company filed a Preliminary Prospectus with the Ontario Securities Commission.

As at September 30, 2018, the Company had working capital of $28,309 (December 31, 2017 - a working capital deficiency of $325,582), had not yet achieved profitable operations, had accumulated losses of $831,691 (December 31, 2017 - $475,582) and expects to incur future losses in the development of its business. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that future exploration programs will result in profitable mining operations. The Company's continued existence will be dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

The Company will require substantial additional funds to explore and, if warranted, develop its acquired exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of future exploration and property development. The terms of any additional financing obtained by the Company could result in significant dilution to the shareholders of the Company.

Management plans to secure the necessary financing through the issuance of new equity or debt instruments. Nevertheless, there is no assurance that these initiatives will be successful.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unaudited interim condensed financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited interim condensed financial statements were authorized for issuance by the Board of Directors of the Company on November 22, 2018.

2. BASIS OF PREPARATION (continued)

2.2 Basis of presentation and functional and presentation currency

These unaudited interim condensed financial statements have been prepared under the historical cost basis, except for certain assets which are measured at fair value as explained in the accounting policies set out in Note 3 of the Company's annual audited financial statements for the year ended December 31, 2017. In addition, these unaudited interim condensed financial statements have been prepared using the accrual basis of accounting except for cash flow information. Management advises readers of these unaudited interim condensed financial statements to review the audited financial statements and accompanying notes for the year ended December 31, 2017 in conjunction with the review of these statements.

The financial statements are presented in Canadian Dollars, which is also the functional currency of the Company.

2.3 Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates and judgments relate to, but are not limited to, the following:

- accounting policy for exploration and evaluation expenditures as an expense;
- ownership and control of property requires the use of judgment; and
- assessment of the going concern assumption as detailed in Note 1 to the financial statements.

2.4 Adoption of new and revised standards and interpretations

Adoption of new and revised standards and interpretations

- IFRS 9 – Financial instruments ("IFRS 9"), was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. A new hedge accounting model is introduced and represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. The new standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The Company adopted this standard on January 1, 2018 and it did not have a material impact on the financial statements.

- IFRS 15 – Revenue from Contracts with Customers: The IASB issued IFRS 15 in May 2014. The new standard provides a comprehensive framework for recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with early adoption permitted. Management is currently evaluating the impact the final standard is expected to have on the Company's consolidated financial statements. The Company adopted this standard on January 1, 2018 and it did not have a material impact on the financial statements as the Company is currently not generating operating revenues.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

2.4 Adoption of new and revised standards and interpretations (continued)

Future accounting pronouncements

- IFRS 16 – Leases – The standard was issued by the IASB on January 13, 2016, and will replace IAS 17, "Leases". IFRS 16 will bring most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and financing leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The new standard is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted if IFRS 15 has also been applied. The Company is assessing the impact of this standard on the Company's financial statements.

3. EXPLORATION AND EVALUATION EXPENDITURES

The exploration and evaluation expenditures of the Company are detailed as follows:

	Three Months Ended September 30, 2018	***Nine months Ended September 30, 2018***	**Cumulative to date**
	$	**$**	**$**
Timmins Project	**111,605**	**272,733**	**637,319**
Exploration and evaluation costs	**111,605**	**272,733**	**637,319**

	Three Months Ended September 30, 2018	***Nine months Ended September 30, 2018***
Acquisition costs	**$ -**	**$ 20,000**
Assays	**67,526**	**67,526**
Geophysical and MMI Surveys	**47,387**	**116,377**
Technical Report (43-101)	**-**	**57,293**
Other exploration and evaluation	**(3,308)**	**11,537**
	$ 111,605	**$ 272,733**

Timmins Project

On December 22, 2017 Company entered into a definitive purchase and sale agreement (the "Agreement") to purchase the Timmins mineral exploration properties from Claim Post Resources Inc. ("Claim Post"), for a cash consideration payable at closing of $350,000 and a Net Smelter Royalty (the "NSR") payable to Claim Post that varies from 1% to a maximum of 2%, depending upon the claims and the pre-existing NSR burden. The NSR provides CTEC the option to buy Claim Post's NSR for cash consideration of $1,500,000 within 24 months of closing, and if the buyout is not fully exercised, the NSR payable to CTEC is capped at $5,000,000 total, proceeds net (excluding any buy out payments) to Claim Post. The transaction closed on January 8, 2018 and the $350,000 payment to Claim Post was made. The transaction was subject to regulatory and third-party approvals and customary conditions precedent. No finder's fees were payable in connection with the transaction.

CTEC has a total of 522 claim units in the Porcupine Mining District ("The Timmins Area Project"), of which 89 are patented claims included in the Dayton Agreement and the Racetrack Agreement.

3. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Timmins Project (continued)

The remaining 433 claims are unpatented and include 42 claim units located in Deloro Township, 93 in Ogden Township, 226 in Mountjoy Township, 49 in Godfrey Township and 23 in Four Corners Township.

On March 20, 2018, the Company entered into a memorandum of understanding (the "MOU") with the Matachewan First Nation and Mattagami First Nation (collectively, the "First Nations") pursuant to which the Company and the First Nations signaled their intent to engage in negotiations toward an impact benefit agreement (an "IBA") regarding the Timmins Project. Pursuant to the terms of the MOU, the Company has agreed to pay to the First Nations: (i) an amount equal to 2% of the recommended Phase I exploration budget on the Timmins Project, estimated to be approximately $15,000; and (ii) an aggregate of 100,000 Common Shares and 100,000 common share purchase warrants ("Warrants") to be issued the date the Company's Common Shares are listed on the TSX Venture Exchange. The Warrants shall be exercisable into Common Shares at a price of $0.10 per Common Share for a period of five (5) years following the Closing Date, subject to certain vesting provisions. On October 16, 2018 both the 100,000 Common Shares and the 100,000 common share purchase warrants were issue.

On April 24, 2018, the Company entered into a Mining Claim Acquisition Agreement with Goldstone Resources Inc. ("Goldstone"), to acquire 100 per cent interest in 26 mining claims located in Deloro Township, Ontario ("Faymar Property"). Upon closing, the total consideration payable to Goldstone shall be $20,000 which will be paid by the issuance of 200,000 common shares of CTEC at a value of $0.10 per share. Various claims are subject to a net smelter returns royalty of 0.2%.

On June 18, 2018, in connection with the Faymar Agreement, the Company and Goldstone entered into a subscription receipt agreement (the "Subscription Receipt Agreement") pursuant to which the Company issued 200,000 subscription receipts ("Subscription Receipts"). Each Subscription Receipt shall, without further payment of any additional consideration, be deemed to have subscribed for one common share issuable upon conversion of the Subscription Receipts, on the earlier of one of the following events: (i) the Company completes an initial public offering and the common shares are listed for trading on a recognized public stock exchange; or (ii) the Company completing a plan of arrangement, amalgamation, reverse takeover, qualifying transaction or any other business combination pursuant to which the common shares (or shares of the resulting issuer) are listed for trading on a recognized stock exchange. The prospectus (Note 13) qualifies the distribution of 200,000 common shares issuable upon conversion of the Subscription Receipts in connection with the Offering.

4. CAPITAL MANAGEMENT

The Company includes shareholders equity (deficit) in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties and to ensure it continues as a going concern. 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.

All of the properties in which the Company currently has an interest are in the exploration stage with no operating revenues; 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 management feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Recent market conditions have and are expected to continue to have an adverse impact on the ability of junior mining exploration companies to secure equity funding. The Company has historically relied on equity financing to raise capital and will continue its attempts to do so. Although CTEC was successful in securing debt and equity financing in the current period, there is no guarantee that future fund-raising attempts will be equally successful.

4. CAPITAL MANAGEMENT (continued)

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

5. FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL AND OTHER RISK

The Company classifies financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates;

And
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash is classified as level 1.

The Company's financial instruments are exposed to financial and other risks as summarized below:

Fair value

As at September 30, 2018, the carrying value approximates the fair value amounts of the Company's cash and trade and other payables.

Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price if one exists.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

i) Credit risk

The Company's credit risk is primarily attributable to cash. The Company has no material concentration of credit risk arising from operations. Cash consists of bank deposits, which are held by a Canadian chartered bank, and management believes the risk of loss is remote. The Company has not experienced any significant collection issues to September 30, 2018.

The Company's maximum exposure to credit risk as at September 30, 2018 is the carrying value of cash.

ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and ensuring an adequate supply of funds to enable the Company to carry out its intended programs. As at September 30, 2018, the Company had a cash balance of $178,222 (December 31, 2017 - $499,977) to settle current liabilities of $181,487 (December 31, 2017 - $825,559). As such, liquidity risk for the Company should be considered high. All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms.

(Expressed in Canadian Dollars)

5. FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL AND OTHER RISK (continued)

As at September 30, 2018, the Company had working capital of $28,309 (December 31, 2017 - a working capital deficiency of $325,582). In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that CTEC will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of CTEC may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

iii) Interest rate risk

The Company does not have significant interest rate risk as the promissory notes were at a fixed interest rate of 10% (Note 10).

6. CASH

The cash balance at September 30, 2018 consists of $178,222 (December 31, 2017 - $499,977) on deposit with a major Canadian bank.

7. RECEIVABLES AND OTHER ASSETS

The Company's receivables and other assets arise from three main sources: 1) prepaid expenses and 2) harmonized sales tax ("HST") receivable from government taxation authorities. These are broken down as follows:

As at	**September 30, 2018**	December 31 , 2017
Prepaid expenses	**$ 5,271**	$ -
HST receivable	**26,303**	-
Total receivables and other assets	**$ 31,574**	$ -

8. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration acquisition activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following is an aged analysis of the trade and other payables:

As at	**September 30, 2018**	December 31, 2017
Less than 1 month	**$ 33,556**	$ 472,586
Over 3 months	**47,931**	-
Total trade and other payables	**$ 81,487**	$ 472,586

(Expressed in Canadian Dollars)

9. KEY MANAGEMENT COMPENSATION

The remuneration of directors and other members of key management personnel during the three and nine months ended September 30, 2018 were as follows:

	Three Months Ended September 30, 2018	*Nine months Ended September 30, 2018*
Management and consulting fees	**$ 19,500**	**$ 40,500**

In accordance with IAS 24, Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

10. DUE TO RELATED PARTIES AND RELATED PARTY TRANSACTIONS

As at September 30, 2018, the trade and other payables balance includes related party amounts of $53,641 (December 31, 2017 - $nil). The related parties are directors and officers of the Company, an individual who is related to the President and CEO of the Company and entities over which executive management and directors have control or significant influence. The amounts are for services rendered during the year and arose as a result of transactions entered into with the related parties in the ordinary course of business.

The Company executed a Promissory Note with certain related parties, being Neville Dastoor, Charles Gryba, Jens Mayer, Mark Wellings, and INFOR Financial Inc. (the "Promissory Note Holders") in the aggregate amount of $350,000 on December 1, 2017. The Promissory Note is unsecured and bears an interest at a rate 10% calculated and payable semi-annually. The Company recorded interest of $5,465 during the period for the Promissory Note.

On February 26, 2018 the Company converted the $350,000 outstanding Promissory Note to common shares of the Company. (See Note 11).

On April 1, 2018, the Company entered into an agreement with a consultant related to the President and Chief Executive Officer to perform services for a term of 2 years for $6,000 per month.

On May 24, 2018, the Company entered into an agreement with the President and Chief Executive Officer to perform services that will commence on the date of the public offering for a term of 3 years for $10,000 per month.

11. CAPITAL STOCK

(a) Authorized

As at September 30, 2018, the Company's authorized number of common shares was unlimited and without par value.

(b) Issued

	Number of Shares		Amount
Balance at November 10, 2017	**-**	**$**	**-**
Private placement	15,000,000		150,000
Balance at December 31, 2017	**15,000,000**	**$**	**150,000**
Private placement	8,900,000		545,000
Debt conversion	4,900,000		245,000
Premium liability on flow-through shares	-		(100,000)
Balance at September 30, 2018	**28,800,000**	**$**	**840,000**

On November 28, 2017 the Company closed a Private Placement for 15,000,000 shares at $0.01 for proceeds of $150,000.

(Expressed in Canadian Dollars)

11. CAPITAL STOCK (continued)

On February 26, 2018 the Company closed a Private Placement of 8,600,000 shares, comprised of 3,600,000 shares at $0.05 and 5,000,000 Flow-through shares at $0.07 per share and for an aggregate total of $530,000.

On February 26, 2018 the Company entered into a Conversion Agreement with each of its Promissory Note holders to which the parties agreed to convert $350,000 of debt for 4,900,000 common shares. The commons shares were valued at a fair value of $0.05 per share for a total of $245,000. The remaining $105,000 was recorded as a gain on debt forgiveness in the interim condensed statement of income and comprehensive income. The accrued interest amount of $8,438 was forgiven by the Promissory Note holders at the time of conversion and was recorded as a gain on debt forgiveness in the interim condensed statement of income and comprehensive income.

On March 12, 2018, the Company completed a private placement for aggregate proceeds of $15,000, by issuing 300,000 shares at a price of $0.05 per share.

12. COMMITMENTS AND CONTINGENCIES

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Pursuant to the issuance of 5,000,000 flow-through shares on February 26, 2018, the Company will renounce $350,000 of qualified exploration expenditures with an effective date of December 31, 2018. The Company is required to spend these flow-through funds by December 31, 2019. A premium liability on flow-through shares in the amount of $100,000 had been recognized on the statement of financial position, which represents the premium between the quoted market price and the price paid by investors for the flow-through shares

As of September 30, 2018, the Company's remaining obligation for flow-through expenditures was $97,317.

The Company is committed to monthly payments under the terms of operating agreements for the office space and management and consulting fees. The aggregate remaining payments per year are as follows:

2018	$ 64,120
2019	$ 270,478
2020	$ 252,779
2021	$ 82,000

13. SUBSEQUENT EVENTS

On October 4, 2018 the Company filed a Final Prospectus with the Ontario Securities Commission.

On October 16, 2018, the Company closed its initial public offering of 15,000,000 common shares at $0.10 per share for aggregate gross proceeds of $1,500,000. The Company's common shares commenced trading October 16, 2018 on the TSX Venture Exchange (the "Exchange") under the symbol "CTEC".

PI Financial Corp. (the "Agent") raised the $1,500,000 in connection with the Company's IPO. The Company paid a commission of 7% of gross proceeds to the Agent, and granted the Agent 1,050,000 broker warrants, to purchase common shares for a period ending twenty-four months from the date of closing. The Company also issued as a corporate finance fee, an additional 500,000 broker warrants to purchase common shares for a period ending twenty-four months from the date of closing.

CTEC has granted to the Agent an over-allotment option, exercisable for a period of 30 days following the date of closing of the IPO, to purchase up to an additional 2,250,000 common shares at a price of C$0.10 per common share to cover over-allotments, if any, and for market stabilization purposes.

13. SUBSEQUENT EVENTS (continued)

Upon closing of the IPO on October 16, 2018, the Company issued 3,200,000 stock options to certain directors and officers of the Company at an exercise price of $0.10 expiring 5 years from the date the Company's Common Shares are listed on the TSX Venture Exchange. On October 17th, the Company issued 200,000 options to two consultants at an exercise price of $0.12 expiring 5 years from the date the Company's Common Shares are listed on the TSX Venture Exchange

The Options are expected to vest as follows: (i) 25% vesting on the date the Company's Common Shares are listed on the TSX Venture Exchange; (ii) 25% vesting one (1) year following the date the Company's Common Shares are listed on the TSX Venture Exchange; (iii) 25% vesting two (2) years following the date the Company's Common Shares are listed on the TSX Venture Exchange; and (iv) 25% vesting three (3) years following the date the Company's Common Shares are listed on the TSX Venture Exchange.

On October 24, 2018 the Company announced that it had engaged a drilling contractor in preparation for the Company's initial 5,000-meter diamond drill program and provided an outline of its near-term exploration plan on its Timmins Project in Ontario, Canada.

On November 16, 2018 the Company announced that, further to its successfully completed initial public offering of an aggregate of 15,000,000 common shares of CTEC at a price of $0.10 per common share, the agent had exercised its over-allotment option in full and had purchased an additional 2,250,000 common shares of CTEC at a price of $0.10 per common share, for additional gross proceeds to CTEC of $225,000. The Company paid a commission of 7% of gross proceeds to the Agent, and granted the Agent 157,500 broker warrants, to purchase common shares for a period ending twenty-four months from the date of closing.