CROWN MINING CORP

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017 & 2016

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim consolidated financial statements of Crown Mining Corp. (the "Company") are the responsibility of the management and Board of Directors of the Company.

The unaudited interim consolidated 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 consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited interim consolidated 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 consolidated 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 consolidated 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.

"Stephen Dunn" (signed)	"Rich Morrow" (signed)
Chief Executive Officer	Chief Financial Officer

NOTICE TO READER

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim consolidated statements for the three and nine month periods ended September 30, 2017 and 2016 have not been reviewed by the Company's auditors.

CROWN MINING CORP.

Unaudited Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

As at,	***September 30, 2017*** **$**	*December 31, 2016* $
ASSETS		
Current		
Cash (Note 5)	**256,748**	235,432
Trade and other receivables (Note 7)	**4,319**	2,545
Prepaid expenses	**6,457**	28,634
Total current assets	**267,524**	266,611
Non-current assets		
Investments (Note 8)	**28,170**	35,170
Total assets	**295,694**	301,781
LIABILITIES		
Current		
Trade and other payables (Notes 9 and 11)	**25,766**	27,397
Total liabilities	**25,766**	27,397
EQUITY		
Share capital (Note 12 (a))	**10,916,565**	10,525,738
Reserve for warrants (Note 13)	**321,000**	229,000
Reserve for share based payments (Note 14)	**2,183,136**	2,079,136
Accumulated deficit	**(13,170,963)**	(12,586,680)
Accumulated other comprehensive income	**20,190**	27,190
Total equity	**269,928**	274,384
Total liabilities and equity	**295,694**	301,781

Nature of Operations and Going Concern (Note 1)
Commitments and Contingencies (Notes 10 and 15)

Approved on behalf of the Board of Directors on October 30, 2017:

"Stephen Dunn" (signed)
Director

"James Fairbairn" (signed)
Director

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

CROWN MINING CORP.

Unaudited Interim Consolidated Statements of Comprehensive Loss

(Expressed in Canadian dollars)

	Three Months		Nine Months	
	2017	2016	**2017**	2016
For the periods ended September 30,	**$**	$	**$**	$
Professional fees (Note 11)	**7,060**	5,275	**21,180**	16,025
Management and consulting fees (Note 11)	**7,500**	7,500	**22,500**	22,500
Share based payments (Note 12 (c) and 14)	**12,250**	-	**63,000**	31,000
Office, general and administration	**8,103**	3,973	**35,336**	30,325
Promotion and travel	**5,971**	24,512	**93,188**	56,634
Foreign exchange gain	**-**	(1,232)	**-**	(1,322)
Exploration and evaluation expenditures (Note 10)	**182,356**	138,325	**349,079**	396,109
	223,240	178,353	**584,283**	551,271
Realized gain on marketable securities (Note 6)	**-**	(98,680)	**-**	(98,680)
Unrealized gain on marketable securities (Note 6)	**-**	95,000	**-**	10,000
Net loss	**223,240**	174,673	**584,283**	462,591
Loss per share - basic and diluted	**0.01**	0.01	**0.02**	0.02
Weighted average number of common shares - basic and diluted (000's)	**32,328**	25,999	**28,573**	21,952

Other Comprehensive Loss (Gain)				
Net Loss	**223,240**	174,673	**584,283**	462,591
Change in unrealized loss (gain) on investments (Note 8)	**3,000**	(9,145)	**7,000**	(29,720)
Net comprehensive loss	**226,240**	165,528	**591,283**	432,871

CROWN MINING CORP.

Unaudited Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

	Share Capital		Reserves				
	Number of shares	Amount	Warrants	Share based payments	Accumulated deficit	Accumulated other comprehensive income	Total
Balance at December 31, 2015	15,432,961	$ 9,980,438	$ 128,600	$ 1,960,536	$ (12,032,650)	$ 13,420	$ 50,344
Private placements, net of issue costs	7,965,666	551,300	-	-	-	-	551,300
Warrants issued on private placement	-	(188,000)	188,000	-	-	-	-
Shares issued for exploration and evaluation expenditures	2,600,000	182,000	-	-	-	-	182,000
Share based payments	-	-	-	31,000	-	-	31,000
Reserve transferred on expiry of warrants	-	-	(87,600)	87,600	-	-	-
Unrealized gain on available-for-sale investments	-	-	-	-	-	13,770	13,770
Net loss for the year	-	-	-	-	(554,030)	-	(554,030)
Balance at December 31, 2016	**25,998,627**	**$ 10,525,738**	**$ 229,000**	**$ 2,079,136**	**$ (12,586,680)**	**$ 27,190**	**$ 274,384**
Private placements, net of issue costs	**4,835,000**	**463,827**	**-**	**-**	**-**	**-**	**463,827**
Warrants issued on private placement	**-**	**(133,000)**	**133,000**	**-**	**-**	**-**	**-**
Shares issued for exploration and evaluation expenditures	**750,000**	**60,000**	**-**	**-**	**-**	**-**	**60,000**
Share based payments	**-**	**-**	**-**	**63,000**	**-**	**-**	**63,000**
Reserve transferred on expiry of warrants	**-**	**-**	**(41,000)**	**41,000**	**-**	**-**	**-**
Unrealized loss on available-for-sale investments	**-**	**-**	**-**	**-**	**-**	**(7,000)**	**(7,000)**
Net loss for the period	**-**	**-**	**-**	**-**	**(584,283)**	**-**	**(584,283)**
Balance at September 30, 2017	**31,583,627**	**$ 10,916,565**	**$ 321,000**	**$ 2,183,136**	**$ (13,170,963)**	**$ 20,190**	**$ 269,928**

Balance at December 31, 2015	15,432,961	$ 9,980,438	$ 128,600	$ 1,960,536	$ (12,032,650)	$ 13,420	$ 50,344
Private placements, net of issue costs	7,965,666	551,300	-	-	-	-	551,300
Warrants issued on private placement	-	(188,000)	188,000	-	-	-	-
Shares issued for exploration and evaluation expenditures	2,600,000	182,000	-	-	-	-	182,000
Share based payments	-	-	-	31,000	-	-	31,000
Reserve transferred on expiry of warrants	-	-	(87,000)	87,000	-	-	-
Unrealized gain on available-for-sale investments	-	-	-	-	-	29,720	29,720
Net loss for the period	-	-	-	-	(462,591)	-	(462,591)
Balance at September 30, 2016	25,998,627	$ 10,525,738	$ 229,600	$ 2,078,536	$ (12,495,241)	$ 43,140	$ 381,773

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

CROWN MINING CORP.
Unaudited Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

Nine month periods ended September 30,	2017 $	2016 $
Operating activities		
Net loss for the period	**(584,283)**	(462,591)
Adjustments to reconcile net loss to net cash used in operating activities:		
Shares issued for exploration and evaluation expenditures	**60,000**	182,000
Share based compensation	**63,000**	31,000
Realized gain on marketable securities	**-**	(98,680)
Unrealized gain on marketable securities	**-**	10,000
Change in non-cash working capital		
Trade and other receivables	**(1,774)**	(2,088)
Prepaid expenses	**22,177**	(42,750)
Trade and other payables	**(1,631)**	(11,440)
Cash used in operating activities	**(442,511)**	(394,549)
Financing activities		
Issuance of share capital, net of costs	**463,827**	551,300
Cash provided from financing activities	**463,827**	551,300
Investing activities		
Proceeds from sale of marketable securities	**-**	158,680
Cash provided from investing activities	**-**	158,680
Increase in cash	**21,316**	315,431
Cash, beginning of period	**235,432**	34
Cash, end of period	**256,748**	315,465

Supplementary Information

Interest paid	-	-
Income tax paid	-	-

1. NATURE OF OPERATIONS AND GOING CONCERN

Crown Mining Corp. ("Crown" or the "Company") is a public company amalgamated under the laws of Canada on August 30, 2010. The Company's head office is located at 365 Bay Street, Suite 400, Toronto, ON, M5H 2V1. The Company is an exploration stage company and currently has interests in exploration properties in Ontario, Canada and, through wholly owned subsidiaries, has interests in exploration properties in Nevada and California, USA. Substantially all of the Company's efforts are devoted to financing, exploring and evaluating these properties. There has been no determination whether the Company's interests in mineral properties contain mineral reserves which are economically recoverable.

As at September 30, 2017, the Company had working capital of $241,758 (December 31, 2016 - $239,214), had not yet achieved profitable operations, had accumulated deficit of $13,170,963 (December 31, 2016 - $12,586,680) and expects to incur further losses in the development of its business.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, and the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis, all of which are uncertain. Failure to achieve the above could have a significant impact on the Company's ability to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and evaluation activities, and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, non-compliance with regulatory requirements or aboriginal land claims.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance and presentation

These unaudited interim consolidated 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") as at October 30, 2017. These unaudited interim consolidated financial statements were authorized by the Board of Directors of the Company on October 30, 2017.

The notes herein include only significant transactions and events occurring since the Company's last fiscal year end and are not fully inclusive of all matters required to be disclosed in the annual audited consolidated financial statements. Accordingly, these unaudited interim consolidated financial statements should be read in conjunction with our most recent annual audited consolidated financial statements for the year ended December 31, 2016.

2. BASIS OF PREPARATION (continued)

2.2 Future accounting policies and standards adopted

Future accounting policies

At the date of authorization of these consolidated financial statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods and which the Company has not early adopted. However, the Company is currently assessing what impact the application of these standards or amendments will have on the consolidated financial statements of the Company.

- In July 2014 the IASB issued the final amendments to IFRS 9, *Financial Instruments* ("IFRS 9") which provides guidance on the classification and measurement of financial assets and liabilities, impairment of financial assets, and general hedge accounting. The Classification and measurement portion of the standard determines how financial assets and financial liabilities are accounted for in financial statements and, in particular, how they are measured on an ongoing basis. The amended IFRS 9 introduced a new, expected-loss impairment model that will require more timely recognition of expected credit losses. In addition, the amended IFRS 9 includes a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted.
- IFRS 16 *Leases* ("IFRS 16"), sets out the principles for the recognition, measurement and disclosure of leases. IFRS 16 provides revised guidance on identifying a lease and for separating lease and nonlease components of a contract. IFRS 16 introduces a single accounting model for all lessees and requires a lessee to recognize right-of-use assets and lease liabilities for leases with terms of more than 12-months, unless the underlying asset is of low value. Under IFRS 16, lessor accounting for operating and finance leases will remain substantially unchanged. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier application permitted for entities that apply IFRS 15.

Standards adopted

At January 1, 2017, the Company adopted the following standards/amendments for which there was no impact on the Company's consolidated financial statements:

- IFRS 15 *Revenue from Contracts with Customers* - IFRS 15, "Revenue from Contracts with Customers" ("IFRS 15"), was issued in May 2014 and will replace IAS 11, "Construction Contracts," IAS 18, "Revenue Recognition," 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 provides a single, principle-based five-step model that will apply to all contracts with customers with limited exceptions, including, but not limited to, leases within the scope of IAS 17 and financial instruments and other contractual rights or obligations within the scope of IFRS 9 "Financial Instruments," IFRS 10, "Consolidated Financial Statements" and IFRS 11, "Joint Arrangements." In addition to the five-step model, the standard specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities. IFRS 15 is required for annual periods beginning on or after January 1, 2017; earlier adoption is permitted.

2. BASIS OF PREPARATION (continued)

2.3 Use of management estimates, judgments and measurement uncertainty

The preparation of these consolidated financial statements using accounting policies consistent with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. 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 relate to valuation of deferred income tax amounts and the calculation of share-based payments and warrants. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

Going concern assumption
Going concern presentation of the consolidated financial statements assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

Income taxes
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Decommissioning provisions
These are made based on the estimated settlement amounts. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed quarterly and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions on a quarterly basis. Actual rehabilitation costs will ultimately depend on actual future settlement amount for the rehabilitation costs which will reflect the market condition at the time that the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for.

Measurement of financial instruments under Level 1 of the fair value hierarchy
Management is also required to make judgments on whether marketable securities have sufficient trading volume and reasonable bid-ask spread to determine if they are active enough to be measured at Level 1 of the fair value hierarchy or if other levels are more appropriate.

2. BASIS OF PREPARATION (continued)

2.4 Use of management estimates, judgments and measurement uncertainty (continued)

Functional currency
The Company's management is required to make judgments as to the currency of the primary economic environment in which an entity operates to determine the functional currency of the entity. The Company has determined that the functional currency of the parent company and its Canadian and US subsidiaries is the Canadian dollar.

Calculation of share based payments and warrants
The Black-Scholes option pricing model is used to determine the fair value for share based payments and warrants and utilizes subjective assumptions such as expected price volatility and expected life of the option or warrant. Discrepancies in these input assumptions can significantly affect the fair value estimate.

3. CAPITAL MANAGEMENT

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 evaluation of mineral properties. 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 defines capital to include all components of shareholders' equity. 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 were no changes in the Company's approach to capital management during the nine month period ended September 30, 2017 and year ended December 31, 2016.

The Company considers its capital to be equity, which is comprised of share capital, reserve for warrants and share based payments, accumulated other comprehensive income and accumulated deficit, which as at September 30, 2017 totaled $269,928 (December 31, 2016 – $274,384)

The Company's objective when managing capital is to obtain adequate levels of funding to support its exploration activities, to obtain corporate and administrative functions necessary to support organizational functioning and to obtain sufficient funding to further the identification of mineral deposits.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

The Company invests all capital that is surplus to its immediate operational needs in interest bearing accounts with a Canadian financial institution.

4. FINANCIAL RISK FACTORS

Credit Risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. The Company's current policy is to invest excess cash in interest bearing deposits issued by its banking institutions. The Company's maximum exposure to credit risk as at September 30, 2017 is the carrying value of cash, and trade and other receivables. The majority of the Company's cash is held in Canadian chartered banks.

Market Risk

Foreign Currency Risk
The Company's exploration and evaluation activities are substantially denominated in Canadian dollars and, to a lesser degree, in United States dollars. The Company's funds are predominantly kept in Canadian dollars, with a major Canadian financial institution.

Equity Price Risk
Market risk arises from the possibility that changes in market prices will affect the value of the financial instruments of the Company. The Company's marketable securities and investments are made up of shares in other junior mining companies traded on the TSX Venture Exchange ("TSXV") and over the counter markets in the United States of America. The investments have lost most of their value due to impairment. The Company is exposed to fair value fluctuations on its marketable securities and investments. The Company's other financial instruments (cash, trade and other receivables, and trade and other payables) are not subject to equity price risk.

Fair Value

Marketable securities are classified as fair value through profit and loss ("FVTPL") and investments are classified as available for sale, which are both measured at fair value. Fair value of marketable securities and investments are determined based on bid-ask spread at each reporting date and is categorized as Level 1 measurement under the fair value hierarchy. Cash, and trade and other receivables are classified for accounting purposes as loans and receivables, which are measured at amortized cost which approximates fair value due to their short-term nature. Trade and other payables are classified for accounting purposes as other financial liabilities, which are measured at amortized cost which also approximates fair value due to their short-term nature.

The fair value hierarchy has the following levels:
- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level two includes inputs that are observable other than quoted prices included in level one.
- Level three includes inputs that are not based on observable market data.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2017, the Company had current assets of $267,524 (December 31, 2016 - $266,611) and current liabilities of $25,766 (December 31, 2016 - $27,397). The Company's trade and other payables and receivables are subject to normal trade terms. As at September 30, 2017, the Company had working capital of $241,758 (December 31, 2016 – $239,214).

(Expressed in Canadian dollars)

4. FINANCIAL RISK FACTORS (continued)

Interest Rate Risk

The Company is not exposed to interest rate risk due to the short-term nature of its financial instruments.

Sensitivity Analysis

The sensitivity analysis shown in the notes below may differ materially from actual results. Interest rate risk on cash equivalents is minimal as these have fixed interest rates.

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a one year period:

(i) The Company's marketable securities and investments are subject to fair value fluctuations. As at September 30, 2017, if the fair value of marketable securities and investments had fluctuated by 10% with all other variables held constant, comprehensive net loss for the nine month period ended September 30, 2017 would have changed by approximately $3,000.

5. CASH

The balance at September 30, 2017 consists of cash on deposit with Canadian banks in general interest-bearing accounts totaling $256,748 (December 31, 2016 - $235,432).

6. MARKETABLE SECURITIES

As at September 30, 2017, marketable securities are comprised of Nil (December 31, 2016 – Nil) common shares of Gowest Gold Ltd. ("Gowest"), a publicly traded Canadian company traded on the TSXV. These marketable securities were acquired as part of the sale of part of the Company's Timore claims (See Note 10). The Company recorded an unrealized loss during the nine month period ended September 30, 2017 of $Nil (2016 - $10,000) as a result of this revaluation to market value.

During the year ended December 31, 2016, the Company sold 1,000,000 Gowest shares for net proceeds of $158,680. The Company recorded a realized gain during the year ended December 31, 2016 of $98,680 and a reversal of previously recorded unrealized gain of $10,000 on the sale of these marketable securities.

7. TRADE AND OTHER RECEIVABLES

The Company's trade and other receivables arise from harmonized sales tax ("HST") due from the Canadian government. The HST receivable is not past due as at September 30, 2017.

	As at,	
	September 30, 2017	December 31, 2016
HST receivable	**$ 4,319**	$ 2,545
Total trade and other receivables	**$ 4,319**	$ 2,545

At September 30, 2017, the Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables. The credit risk on the receivables has been further discussed in Note 4. The Company holds no collateral for any receivable amounts outstanding as at September 30, 2017.

(Expressed in Canadian dollars)

8. INVESTMENTS

Investments as at September 30, 2017, are comprised of 700,000 (December 31, 2016 – 700,000) shares of American Lithium Minerals Inc., 50,000 (December 31, 2016 – 50,000) shares of International Bethlehem Mining Corp. and 75,000 (December 31, 2016 – 75,000) shares of Magnum Goldcorp Inc. As September 30, 2017, these available-for-sale investments have been measured at their fair value of $28,170 (December 31, 2016 – $35,170). The impact to the consolidated financial statements of this revaluation to market value resulted in other comprehensive loss of $7,000 (2016 – gain of $29,720) as market values of these securities decreased in the in the nine month period ended September 30, 2017.

9. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration 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, 2017	December 31, 2016
Less than or equal to 90 days	**$ 16,321**	$ 17,952
Over 90 days	**9,445**	9,445
Total trade and other payables	**$ 25,766**	$ 27,397

10. EXPLORATION AND EVALUATION EXPENDITURES

The evaluation and exploration expenses for the Company are segregated as follows:

	Nine month period ended September 30,	
	2017	2016
Black Warrior	**$ -**	$ -
Moonlight-Superior	**346,868**	393,898
Timore	**1,195**	1,196
Warren Whiteside	**1,016**	1,015
Exploration and evaluation expenditures	**$ 349,079**	$ 396,109

Black Warrior
On May 20, 2008, the Company acquired a 100% interest in 2 patented claims near Silver Peak in Esmeralda County, Nevada for US$25,000.

Moonlight-Superior
Effective June 28, 2013, the Company purchased a 100% interest in the Superior Project, which included 132 unpatented mining claims and a lease on 36 patented claims in Plumas County, California for $50,000. The conditions of the lease include an annual lease payment of US$20,000 per year and an annual work obligation of US$25,000. The Company has a right to purchase the leased patented claims, and if purchased, the leased patented claims will be subject to an annual royalty payment schedule. During the year ended December 31, 2015, the Company restaked the area in a more efficient way resulting in title to 47 unpatented claims. During the year ended December 31, 2016, the Company staked 57 additional claims.

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Moonlight-Superior (continued)

On February 26, 2016, the Company entered into an agreement with Canyon Copper Corp ("Canyon") to acquire a 100% interest in the Moonlight Property (the "Agreement"). Under the terms of the Agreement Crown can acquire a 100% interest in the Moonlight Property for consideration of $375,000 and up to 3,750,000 common shares of the Company as follows:

- Cash Payments: $5,000 due on signing (Paid), $20,000 due on or before June 1, 2016 (paid); and $350,000 due on or before March 4, 2019.
- Common Shares Issuances: 2,000,000 common shares on or before 5 days after TSXV approval, which was received on March 4, 2016 (Issued with a fair market value of $140,000), 750,000 common shares on or before 5 days after 1st anniversary of TSXV approval if the Final Payment has not yet been paid (Issued with a fair market value of $60,000), and 1,000,000 common shares on or before 5 days after 2nd anniversary of TSXV approval if Final Payment has not yet been paid.

In addition, the advanced royalty holders, being Lester Storey and Metamin Enterprises Inc., (the "Advanced Royalty Holders") have approved the following: (i) elimination of the advanced royalty payments, (ii) an increase in each of the Advance Royalty Holder's net smelter returns from 1.0% to 1.25%, in exchange for the issuance of 300,000 common shares of the Corporation to each of the Advance Royalty Holders (Issued with a fair market value of $42,000).

Timore

The Company owned a 100% interest in patented claims covering 2 properties near Timmins, Ontario and 1 property near Red Lake, Ontario.

In August 2015, the Company completed an agreement with Gowest, pursuant to which the Company sold to Gowest a 100% interest in the patented claims covering 1 property in Whitney Township near Timmins, Ontario. As consideration for the claims, Gowest paid $25,000 in cash and issued 1,000,000 common shares of Gowest to the Company with a fair market value on the date of disposition of $60,000.

Warren Whiteside

The Company owns a 100% interest in 14 patented mining claims in Whiteside Township in Ontario.

11. RELATED PARTY DISCLOSURES

Certain corporate entities and consultants that are related to the Company's officers and directors provide consulting and other services to Crown. All transactions were conducted in the normal course of operations and are measured as follows:

As at,	**September 30, 2017**	December 31, 2016
Amount included in trade and other payables, due to directors and/or officers	**$ -**	**$ 1,000**

Amounts due to directors and officers are non-interest bearing and have no set terms of repayment.

(Expressed in Canadian dollars)

11. RELATED PARTY DISCLOSURES (continued)

Compensation of Key Management Personnel

Transactions during the nine month period ended September 30,		**2017**		2016
Balances:				
Short-term benefits	**$**	**22,000**	$	15,000
Share based compensation		**28,000**		22,000
Total compensation paid to key management	**$**	**50,000**	$	37,000

During the nine month period ended September 30, 2017, certain officers, directors or companies controlled by them participated in the Company's private placements as described in Note 12 (a) and subscribed for 1,319,550 (year ended December 31, 2016 - 2,000,000) units, for total gross proceeds to the Company of $131,955 (year ended December 31, 2016 - $122,000).

12. SHARE CAPITAL

(a) Common Shares

Crown's authorized share capital consists of an unlimited number of common shares and with no par value.

The issued and outstanding common shares are as follows:

	Number of Shares		**Stated Value**
Balance, December 31, 2015	15,432,961	$	9,980,438
Private placements	7,965,666		577,940
Cash share issue costs	-		(26,640)
Shares issued for exploration and evaluation expenditures (note 10)	2,600,000		182,000
Value assigned to warrants issued on private placement	-		(188,000)
Balance, December 31, 2016	**25,998,627**	**$**	**10,525,738**
Private placements	**4,835,000**		**483,500**
Cash share issue costs	**-**		**(19,673)**
Shares issued for exploration and evaluation expenditures (note 10)	**750,000**		**60,000**
Value assigned to warrants issued on private placement	**-**		**(133,000)**
Balance, September 30, 2017	**31,583,627**	**$**	**10,916,565**

Private Placements – 2017

On February 28, 2017, the Company completed a private placement of 2,200,000 units at a price of $0.10 per unit for proceeds of $220,000. Each unit consisted of one common share and one common share purchase warrant, each whole warrant entitling the holder to purchase one common share for $0.20 for two years from the date of closing.

The fair value of the warrants of $53,000 was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.7%
Expected volatility	104%
Expected life of warrants	2 years
Expected dividend yield	Nil

(Expressed in Canadian dollars)

12. SHARE CAPITAL (continued)

(a) Common Shares (continued)

On September 5, 2017, the Company completed a private placement of 2,635,000 units at a price of $0.10 per unit for proceeds of $263,500. Each unit consisted of one common share and one common share purchase warrant, each whole warrant entitling the holder to purchase one common share for $0.15 for three years from the date of closing.

The fair value of the warrants of $83,000 was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	1.4%
Expected volatility	95%
Expected life of warrants	3 years
Expected dividend yield	Nil

Private Placements – 2016

On February 12, 2016, the Company completed a private placement of 2,000,000 units at a price of $0.06 per unit for proceeds of $120,000. Each unit consisted of one common share and one common share purchase warrant, each whole warrant entitling the holder to purchase one common share for $0.15 for three years from the date of closing.

The fair value of the warrants of $38,000 was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.4%
Expected volatility	117%
Expected life of warrants	3 years
Expected dividend yield	Nil

On May 10, 2016, the Company completed a private placement of 3,465,666 units at a price of $0.06 per unit for proceeds of $207,940. Each unit consisted of one common share and one common share purchase warrant, each whole warrant entitling the holder to purchase one common share for $0.15 for three years from the date of closing.

The fair value of the warrants of $65,000 was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.6%
Expected volatility	115%
Expected life of warrants	3 years
Expected dividend yield	Nil

On June 8, 2016, the Company completed a private placement of 2,500,000 units at a price of $0.10 per unit for gross proceeds of $250,000. Each unit consisted of one common share and one common share purchase warrant, each whole warrant entitling the holder to purchase one common share for $0.20 for two years from the date of closing.

(Expressed in Canadian dollars)

12. SHARE CAPITAL (continued)

(a) Common Shares (continued)

The fair value of the warrants of $85,000 was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.5%
Expected volatility	134%
Expected life of warrants	2 years
Expected dividend yield	Nil

Volatility for all warrants has been calculated using the Company's historical information.

(b) Warrants

The outstanding warrants at September 30, 2017 are comprised as follows:

Date of Expiry	Type	No. of Warrants	Weighted Average Exercise Price $
June 8, 2018	Warrants – Private Placement	2,500,000	0.20
February 12, 2019	Warrants – Private Placement	2,000,000	0.15
February 28, 2019	Warrants – Private Placement	2,200,000	0.20
May 10, 2019	Warrants – Private Placement	3,465,666	0.15
September 5, 2020	Warrants – Private Placement	2,635,000	0.15
Total		**12,800,666**	**0.17**

The weighted average remaining life of the outstanding warrants at September 30, 2017 is 1.63 years (December 31, 2016 – 1.53 years).

Continuity of the warrants to purchase common shares for the nine month period ended September 30, 2017 and the year ended December 31, 2016 is as follows:

As at,	**September 30, 2017**		December 31, 2016	
	Weighted Average Exercise Price ($)	**No. of Warrants**	Weighted Average Exercise Price ($)	No. of Warrants
Outstanding at beginning of period/year	**0.16**	**10,965,666**	0.23	6,048,000
Transactions during the period/year:				
Issued on private placements	**0.17**	**4,835,000**	0.17	7,965,666
Expired	**0.15**	**(3,000,000)**	0.30	(3,048,000)
Outstanding and exercisable at end of period/year	**0.17**	**12,800,666**	0.16	10,965,666

(Expressed in Canadian dollars)

12. SHARE CAPITAL (continued)

(c) Options

Crown has a 10% rolling stock option plan pursuant to which options to purchase common shares may be granted to certain officers, directors, employees and consultants. As at September 30, 2017, the Company had 573,363 (December 31, 2016 - 924,863) options remaining available for issuance under the plan.

Continuity of the unexercised options to purchase common shares is as follows:

As at,	**September 30, 2017**		December 31, 2016	
	Weighted Average Exercise Price ($)	**No. of Options**	Weighted Average Exercise Price ($)	No. of Options
Outstanding at beginning of period/year	**0.20**	**1,675,000**	0.38	1,135,000
Transactions during the period/year:				
Granted	**0.10**	**950,000**	0.10	700,000
Expired	**0.50**	**(40,000)**	1.00	(160,000)
Outstanding at end of period/year	**0.16**	**2,585,000**	0.20	1,675,000
Exercisable at end of period/year	**0.16**	**2,435,000**	0.20	1,675,000

The following table provides additional information about outstanding stock options at September 30, 2017:

Range of Exercise Prices ($)	**No. of Options Exercisable**	**Weighted Average Exercise Price ($)**	**No. of Options Outstanding**	**Weighted Average Exercise Price ($)**	**Weighted Average Remaining Life (Years)**
0.10	**2,265,000**	**0.10**	**2,415,000**	**0.10**	**1.56**
1.00	**170,000**	**1.00**	**170,000**	**1.00**	**0.83**
0.10 - 1.00	**2,435,000**	**0.16**	**2,585,000**	**0.16**	**1.51**

The following table summarizes the assumptions used in the Black-Scholes valuation model for determining the fair value for the stock options granted during the nine month period ended September 30, 2017:

		Feb-28-17	**Mar-14-17**	Total
Number of options granted		650,000	300,000	950,000
Risk-free interest rate		0.85%	1.00%	
Expected life years		3.0	3.0	
Expected volatility		128%	128%	
Exercise price	**$**	0.10	0.105	
Market price	**$**	0.095	0.105	
Vesting		Immediately	¼ every 3 months	
Expected dividends		-	-	
Fair value of options granted as share based payments	**$**	45,000	23,000	$ 68,000
Vesting of fair value of share based payments	**$**	45,000	18,000	$ 63,000

(Expressed in Canadian dollars)

12. SHARE CAPITAL (continued)

(c) Options (continued)

The following table summarizes the assumptions used in the Black-Scholes valuation model for determining the fair value for the stock options granted during the year ended December 31, 2016:

		Apr-13-16	Total
Number of options granted		700,000	700,000
Risk-free interest rate		0.56%	
Expected life years		3.0	
Expected volatility		116%	
Exercise price	$	0.10	
Market price	$	0.07	
Vesting		Immediately	
Expected dividends		-	
Fair value of options granted as share based payments	$	31,000	$ 31,000
Vesting of fair value of share based payments	$	31,000	$ 31,000

The weighted average grant-date fair value of options granted as compensation during the nine month period ended September 30, 2017 was $0.07 (year ended December 31, 2016 – $0.04) per option issued.

13. RESERVE FOR WARRANTS

Reserve for warrants is comprised of the following:

	September 30, 2017	December 31, 2016
Balance, beginning of the period/year	**$ 229,000**	$ 128,600
Warrants issued on private placements	**133,000**	188,000
Reserves transferred on expiry of warrants	**(41,000)**	(87,600)
Balance, end of period/year	**$ 321,000**	$ 229,000

14. RESERVE FOR SHARE BASED PAYMENTS

Reserve for share based payments is comprised of the following:

	September 30, 2017	December 31, 2016
Balance, beginning of the period/year	**$ 2,079,136**	$ 1,960,536
Share based payments granted	**63,000**	31,000
Reserves transferred on expiry of warrants	**41,000**	87,600
Balance, end of period/year	**$ 2,183,136**	$ 2,079,136

(Expressed in Canadian dollars)

15. COMMITMENTS AND CONTINGENCIES

The Company's activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees.

The Company has not determined and is not aware whether any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.

The Company may become subject to tax audits of the flow-through expenditures renounced to investors; however, the Company believes that all Canadian Exploration Expenditures were effected and renounced in compliance with the prescribed requirements of the *Income Tax Act* (Canada). The Company has indemnified the subscribers of current and previous flow-through offerings against any tax-related amounts that become payable by shareholders in the event the Company does not meet its expenditure commitment.

16. SEGMENTED INFORMATION

Operating Segments

At September 30, 2017, the Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada and the United States.

An operating segment is defined as a component of the Company:
- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the entity's chief operating decision maker; and
- for which discrete financial information is available.

Geographic Information

The Company currently has one reportable segment as at September 30, 2017 and December 31, 2016, being the exploration and evaluation of mineral properties in Canada and the United States.

The following is a detailed breakdown of the Company's assets by geographical location:

Identifiable assets as at,	**September 30, 2017**	December 31, 2016
Canada	**$ 293,297**	$ 297,208
United States	**2,397**	4,573
	$ 295,694	$ 301,781