



Midland Exploration Inc.

Condensed Interim Financial Statements

Three months ended December 31, 2017

The attached financial statements have been prepared by Management of Midland Exploration Inc. and have not been reviewed by the auditors

Midland Exploration Inc.

Statements of Financial Position

(Unaudited)

| | As at December 31, 2017 | As at September 30, 2017 |
|--|-------------------------------|--------------------------------|
| | \$ | \$ |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents (note 4) | 4,928,686 | 4,628,896 |
| Investments (note 5) | 7,203,910 | 6,503,910 |
| Accounts receivable | 188,604 | 105,995 |
| Sales tax receivable | 227,865 | 279,945 |
| Tax credits and mining rights receivable | 1,042,276 | 922,454 |
| Prepaid expenses | 51,183 | 56,671 |
| Total current assets | 13,642,524 | 12,497,871 |
| Non-current assets | | |
| Tax credits and mining rights receivable - non-current portion | 132,864 | 117,623 |
| Listed shares | 60,000 | 33,000 |
| Exploration and evaluation assets (note 6) | | |
| Exploration properties | 1,934,651 | 1,896,351 |
| Exploration and evaluation expenses | 12,185,376 | 11,932,760 |
| | 14,120,027 | 13,829,111 |
| Total non-current assets | 14,312,891 | 13,979,734 |
| Total assets | 27,955,415 | 26,477,605 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 326,913 | 477,838 |
| Advance received for exploration work | 11,865 | 341,262 |
| Liability related to the premium on flow-through share | 673,250 | - |
| Total liabilities | 1,012,028 | 819,100 |
| Equity | | |
| Capital stock | 36,734,116 | 35,142,832 |
| Warrants (note 7) | 1,922,031 | 1,922,031 |
| Contributed surplus | 2,739,513 | 2,679,002 |
| Deficit | (14,452,273) | (14,085,360) |
| Total equity | 26,943,387 | 25,658,505 |
| Total liabilities and equity | 27,955,415 | 26,477,605 |

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

Midland Exploration Inc.
Statements of Comprehensive Loss
(Unaudited)

| | Three months ended December 31 | |
|---|---|------------------|
| | 2017 | 2016 |
| | \$ | \$ |
| Revenues | | |
| Project management fees | 45,513 | 32,759 |
| Operating Expenses | | |
| Salaries | 122,716 | 125,168 |
| Stock-based compensation | 40,816 | 57,408 |
| Travel | 10,658 | 14,881 |
| Rent and insurance | 15,967 | 13,731 |
| Office expenses | 42,795 | 32,725 |
| Regulatory fees | 16,422 | 12,780 |
| Conferences and mining industry involvement | 68,349 | 77,412 |
| Press releases and investors relations | 35,651 | 11,888 |
| Professional fees | 54,131 | 54,790 |
| General exploration | 270 | 467 |
| Impairment of exploration and evaluation assets (note 6) | - | 4,491 |
| Operating expenses | 407,775 | 405,741 |
| Other gains or losses | | |
| Interest income | 52,448 | 52,343 |
| Change in fair value – listed shares | 27,000 | - |
| | 79,448 | 52,343 |
| Loss before income taxes | (282,814) | (320,639) |
| Recovery of deferred income taxes | 20,820 | 28,520 |
| Loss and comprehensive loss | (261,994) | (292,119) |
| Basic and diluted loss per share | (0.01) | (0.01) |
| Weighted average number of basic and diluted outstanding shares | 57,989,583 | 55,710,735 |

The loss and comprehensive loss are solely attributable to Midland Exploration Inc. shareholders.

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

Midland Exploration Inc.
Statements of Changes in Equity
(Unaudited)

| | Number of shares outstanding | Capital stock | Warrants | Contributed surplus | Deficit | Total equity |
|-------------------------------------|---|--------------------------|------------------|--------------------------------|---------------------|-------------------------|
| | | \$ | \$ | \$ | \$ | \$ |
| Balance at October 1, 2017 | 57,161,557 | 35,142,832 | 1,922,031 | 2,679,002 | (14,085,360) | 25,658,505 |
| Loss and comprehensive loss | - | - | - | - | (261,994) | (261,994) |
| Flow-through private placement | 1,692,854 | 2,285,354 | - | - | - | 2,285,354 |
| Less: premium | - | (694,070) | - | - | - | (694,070) |
| | 1,692,854 | 1,591,284 | - | - | - | 1,591,284 |
| Stock-based compensation | - | - | - | 60,511 | - | 60,511 |
| Share issue expenses | - | - | - | - | (104,919) | (104,919) |
| Balance at December 31, 2017 | 58,854,411 | 36,734,116 | 1,922,031 | 2,739,513 | (14,452,273) | 26,943,387 |

| | Number of shares outstanding | Capital stock | Warrants | Contributed surplus | Deficit | Total equity |
|-------------------------------------|---|--------------------------|------------------|--------------------------------|---------------------|-------------------------|
| | | \$ | \$ | \$ | \$ | \$ |
| Balance at October 1, 2016 | 54,674,417 | 32,332,811 | 1,997,093 | 2,224,411 | (12,759,167) | 23,795,148 |
| Loss and comprehensive loss | - | - | - | - | (292,119) | (292,119) |
| Flow-through private placement | 1,284,354 | 1,733,876 | - | - | - | 1,733,876 |
| Less: premium | - | (259,290) | - | - | - | (259,290) |
| | 1,284,354 | 1,474,586 | - | - | - | 1,474,586 |
| Warrants exercised | 588,786 | 629,335 | (69,988) | - | - | 559,347 |
| Warrants expired | - | - | (5,074) | 5,074 | - | - |
| Stock-based compensation | - | - | - | 91,944 | - | 91,944 |
| Share issue expenses | - | - | - | - | (97,056) | (97,056) |
| Balance at December 31, 2016 | 56,547,557 | 34,436,732 | 1,922,031 | 2,321,429 | (13,148,342) | 25,531,850 |

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

Midland Exploration Inc.

Statements of Cash Flows

(Unaudited)

| | Three months ended December 31, | |
|--|------------------------------------|------------------|
| | 2017 | 2016 |
| | \$ | \$ |
| Operating activities | | |
| Loss | (261,994) | (292,119) |
| Adjustment for: | | |
| Stock-based compensation | 40,816 | 57,408 |
| Impairment of exploration and evaluation assets | - | 4,491 |
| Variation – fair value of listed shares | (27,000) | - |
| Recovery of deferred income taxes | (20,820) | (28,520) |
| | (268,998) | (258,740) |
| Changes in non-cash working capital items | | |
| Accounts receivable | (82,609) | 204 |
| Sales tax receivable | 52,080 | (161,129) |
| Tax credits and mining rights receivable | - | 5,320 |
| Prepaid expenses | 5,488 | 42,009 |
| Accounts payable and accrued liabilities | (305,568) | (195,353) |
| Advance received for exploration work | (329,397) | (4,528) |
| | (660,006) | (313,477) |
| | (929,004) | (572,217) |
| Financing activities | | |
| Flow-through private placement | 2,285,354 | 1,733,876 |
| Exercise of warrants | - | 559,347 |
| Share issue expenses | (104,919) | (97,056) |
| | 2,180,435 | 2,196,167 |
| Investing activities | | |
| Additions to investments | (2,050,000) | (1,350,000) |
| Disposals of investments | 1,350,000 | 2,636,000 |
| Additions to exploration properties | (53,539) | (117,379) |
| Reduction of advances paid for exploration expenses | - | 141,946 |
| Additions to exploration and evaluation expenses | (198,102) | (1,088,881) |
| | (951,641) | 221,686 |
| Net change in cash and cash equivalents | 299,790 | 1,845,636 |
| Cash and cash equivalents – beginning (note 4) | 4,628,896 | 1,467,414 |
| Cash and cash equivalents – ending (note 4) | 4,928,686 | 3,313,050 |
| Additional information | | |
| Stock-based compensation included in exploration and evaluation expenses | 19,695 | 34,536 |
| Additions of exploration properties and exploration and evaluation expenses included in accounts payable and accrued liabilities | 50,078 | 19,352 |
| Tax credits receivable applied against exploration and evaluation expenses | 135,063 | 215,042 |
| Interest received | 21,076 | 39,126 |

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

Midland Exploration Inc.

Notes to Financial Statements

Three months ended December 31, 2017

(Unaudited)

1. STATUTE OF INCORPORATION AND NATURE OF ACTIVITIES

Midland Exploration Inc. (“the Corporation”), incorporated in Canada on October 2, 1995 and operating under the Business Corporations Act (Québec), is a company in the mining exploration business. The Corporation’s operations include the acquisition and exploration of mining properties. Its head office is located at 1, Place Ville Marie, suite 4000, Montreal, Quebec, H3B 4M4. The Corporation’s shares are listed on the TSX Venture Exchange (the “Exchange”) under the MD ticker.

Until it is determined that properties contain mineral reserves or resources that can be economically mined, they are classified as exploration properties. The recoverability of exploration and evaluation assets is dependent upon: the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; the ability to obtain the necessary financing to complete exploration and the profitable sale of the assets. The Corporation will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Although the Corporation has taken steps to verify title to mineral properties 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 Corporation’s title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

2. BASIS OF PRESENTATION

These condensed interim Financial Statements (the “Financial Statements”) have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The Financial Statements should be read in conjunction with the annual financial statements for the year ended September 30, 2017, which have been prepared in accordance with IFRS. The accounting policies, methods of computation and presentation applied in these Financial Statements are consistent with those of the previous financial year. The Board of Directors has approved the Financial Statements on February 15, 2018.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of Financial Statements in conformity with IFRS requires the Corporation to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The Corporation also makes estimates and assumptions concerning the future. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

In preparing the Financial Statements, the significant judgements made by management in applying the Corporation’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual Financial Statements for the year ended September 30, 2017.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Midland Exploration Inc.

Notes to Financial Statements

Three months ended December 31, 2017

(Unaudited)

4. CASH AND CASH EQUIVALENTS

| | As at December 31, 2017 | As at September 30, 2017 |
|---|-------------------------------|--------------------------------|
| | \$ | \$ |
| Cash | 1,428,686 | 328,896 |
| Guaranteed investment certificates bearing interest between 0.90% and 1.15%, maturing June 6, 2018 | 3,500,000 | - |
| Guaranteed investment certificates bearing interest between 0.80% and 1.15%, maturing between December 5, 2017 and June 6, 2018 | - | 4,300,000 |
| | 4,928,686 | 4,628,896 |

5. INVESTMENTS

| | As at December 31, 2017 | As at September 30, 2017 |
|--|-------------------------------|--------------------------------|
| | \$ | \$ |
| Guaranteed investment certificates, not cashable before the expiry date, between 1.40% and 1.95% interest payable annually, maturing between March 29, 2018 and December 13, 2018, with a maturity value of \$7,325,876 | 7,203,910 | - |
| Guaranteed investment certificates, not cashable before the expiry date, between 1.40% and 1.95% interest payable annually, maturing between November 30, 2017 and July 23, 2018, with a maturity value of \$6,605,807 | - | 6,503,910 |
| | 10,521,910 | 6,503,910 |

The balance on flow-through financing not spent according to the restrictions imposed by the November 2017 financing represents \$2,227,701 as at December 31, 2017 and is included in investments. The Corporation has to dedicate these funds to Canadian mining properties exploration.

Midland Exploration Inc.

Notes to Financial Statements

Three months ended December 31, 2017

(Unaudited)

6. EXPLORATION AND EVALUATION ASSETS

The following tables disclose the acquisition costs of exploration properties:

| Acquisition costs | Undivided interest | As at Sept. 30, 2017 | Additions | Option payments | Impairment | As at Dec. 31, 2017 |
|-----------------------------|--------------------|----------------------|---------------|-----------------|------------|---------------------|
| | % | \$ | \$ | \$ | \$ | \$ |
| Abitibi | | | | | | |
| Maritime-Cadillac | 49 | 290,838 | 17 | - | - | 290,855 |
| Laflamme | 72.6 | 122,347 | 1,567 | - | - | 123,914 |
| Patris | 100 | 87,072 | 2,045 | - | - | 89,117 |
| Casault | 50 | 26,995 | 402 | - | - | 27,397 |
| Jouvex | 50 | 45,432 | 469 | - | - | 45,901 |
| Heva | 100 | 57,906 | - | - | - | 57,906 |
| Valmond | 100 | 10,756 | 243 | - | - | 10,999 |
| La Peltrie | 100 | 101,601 | - | - | - | 101,601 |
| Adam | 100 | 16,830 | 520 | - | - | 17,350 |
| Samson | 100 | 20,166 | 485 | - | - | 20,651 |
| Abitibi Or | 100 | 138,669 | 2,630 | - | - | 141,299 |
| Grenville-Appalaches | | | | | | |
| Weedon | 100 | 36,703 | 561 | - | - | 37,264 |
| Gatineau | 100 | 32,102 | 416 | - | - | 32,518 |
| James Bay | | | | | | |
| James Bay Au | 100 | 198,893 | 728 | - | - | 199,621 |
| Eleonore | 100 | 141,681 | 1,976 | - | - | 143,657 |
| JV Eleonore | 50 | 96,972 | - | - | - | 96,972 |
| JV BJ Altius | 50 | 56,095 | 4,131 | - | - | 60,226 |
| Northern Quebec | | | | | | |
| Pallas PGE | 100 | 105,028 | 1,248 | - | - | 106,276 |
| Willbob | 100 | 257,030 | 13,033 | - | - | 270,063 |
| Project Generation | 100 | 53,235 | 7,829 | - | - | 61,064 |
| | | 1,896,351 | 38,300 | - | - | 1,934,651 |

1) Some claims were dropped and the Corporation impaired partially the property.

Midland Exploration Inc.

Notes to Financial Statements

Three months ended December 31, 2017

(Unaudited)

6. EXPLORATION AND EVALUATION ASSETS (CONT'D)

| Acquisition costs | Undivided interest | As at Sept. 30, 2016 | Net Additions | Option payments | Impairment | As at Sept. 30, 2017 |
|-----------------------------|--------------------|----------------------|----------------|-----------------|------------------------|----------------------|
| | % | \$ | \$ | \$ | \$ | \$ |
| Abitibi | | | | | | |
| Maritime-Cadillac | 49 | 290,515 | 323 | - | - | 290,838 |
| Laflamme | 72.6 | 97,400 | 31,793 | - | (6,846) ¹⁾ | 122,347 |
| Patris | 100 | 87,072 | - | - | - | 87,072 |
| Casault | 50 | 17,538 | 9,457 | - | - | 26,995 |
| Jouvex | 50 | 44,998 | 8,141 | - | (7,707) ¹⁾ | 45,432 |
| Heva | 100 | 106,009 | 1,897 | (50,000) | - | 57,906 |
| Valmond | 100 | 7,259 | 5,328 | - | (1,831) ¹⁾ | 10,756 |
| La Peltrie | 100 | 103,593 | 28,008 | (30,000) | - | 101,601 |
| Adam | 100 | 11,975 | 4,855 | - | - | 16,830 |
| Samson | 100 | 17,406 | 2,760 | - | - | 20,166 |
| Abitibi Or | 100 | 149,902 | (11,233) | - | - | 138,669 |
| Grenville-Appalaches | | | | | | |
| Weedon | 100 | 30,016 | 13,778 | - | (7,091) ¹⁾ | 36,703 |
| Gatineau | 100 | 8,349 | 27,561 | - | (3,808) ¹⁾ | 32,102 |
| James Bay | | | | | | |
| James Bay Au | 100 | 178,881 | 32,014 | - | (12,002) ¹⁾ | 198,893 |
| Eleonore | 100 | 105,232 | 36,449 | - | - | 141,681 |
| JV Eleonore | 50 | 96,217 | 755 | - | - | 96,972 |
| JV BJ Altius | 50 | - | 56,095 | - | - | 56,095 |
| Northern Quebec | | | | | | |
| Pallas PGE | 100 | 72,443 | 38,508 | - | (5,923) ¹⁾ | 105,028 |
| Willbob | 100 | 55,842 | 201,188 | - | - | 257,030 |
| Quebec Labrador | | | | | | |
| Ytterby | 50.6 | 2,042 | - | - | (2,042) ²⁾ | - |
| Project Generation | | | | | | |
| | 100 | 23,429 | 31,048 | - | (1,242) ¹⁾ | 53,235 |
| | | 1,506,118 | 518,725 | (80,000) | (48,492) | 1,896,351 |

1) Some claims were dropped and the Corporation impaired partially the property.

Midland Exploration Inc.

Notes to Financial Statements

Three months ended December 31, 2017

(Unaudited)

6. EXPLORATION AND EVALUATION ASSETS (CONT'D)

The following two tables disclose details of exploration and evaluation expenses:

| E&E expenses | Undivided interest | As at Sept. 30, 2017 | Additions | Option payments | Tax credits | Impairment | As at Dec. 31, 2017 |
|-----------------------------|-----------------------|----------------------------|----------------|--------------------|------------------|------------|---------------------------|
| | % | \$ | \$ | \$ | \$ | \$ | \$ |
| Abitibi | | | | | | | |
| Maritime-Cadillac | 49 | 292,271 | 1,043 | - | - | - | 293,314 |
| Laflamme | 72.6 | 2,202,064 | 5,868 | - | - | - | 2,207,932 |
| Patris | 100 | 221,844 | - | - | - | - | 221,844 |
| Casault | 100ou50? | 963,965 | 131,020 | - | (52,947) | - | 1,042,038 |
| Jouvex | 100ou50? | 412,833 | 98 | - | - | - | 412,931 |
| Heva | 100 | 261,985 | 1,812 | - | - | - | 263,797 |
| Valmond | 100 | 124,314 | - | - | - | - | 124,314 |
| Samson | 100 | 83,411 | 3,811 | - | (40) | - | 87,182 |
| La Peltrie | 100 | 1,067,584 | 2,110 | - | - | - | 1 069,694 |
| Adam | 100 | 131,155 | 2,156 | - | (802) | - | 132,509 |
| Abitibi Au | 100 | 203,470 | 6,700 | - | (1,347) | - | 208,823 |
| Grenville-Appalaches | | | | | | | |
| Weedon | 100 | 626,897 | 630 | - | - | - | 627,527 |
| Gatineau | 100 | 44,005 | 33 | - | (7) | - | 44,031 |
| James Bay | | | | | | | |
| James Bay Au | 100 | 362,595 | 5,588 | - | (575) | - | 367,608 |
| Eleonore | 100 | 1,723,519 | 10,360 | - | (2,260) | - | 1,731,619 |
| JV Eleonore | 50 | 291,282 | 16,863 | - | - | - | 308,145 |
| JV BJ Altius | 50 | 162,781 | 129,607 | - | (56,092) | - | 236,296 |
| Northern Quebec | | | | | | | |
| Pallas PGE | 100 | 538,746 | 701 | - | - | - | 539,447 |
| Willbob | 100 | 2,126,873 | 54,999 | - | (16,674) | - | 2,165,198 |
| Project Generation | | | | | | | |
| | 100 | 91,166 | 14,280 | - | (4,319) | - | 101,127 |
| | | 11,932,760 | 387,679 | - | (135,063) | - | 12,185,376 |

Midland Exploration Inc.

Notes to Financial Statements

Three months ended December 31, 2017

(Unaudited)

6. EXPLORATION AND EVALUATION ASSETS (CONT'D)

| E&E expenses | Undivided interest | As at Sept. 30, 2016 | Net Additions | Option payments | Tax credits | Impairment | As at Sept. 30, 2017 |
|-----------------------------|--------------------|----------------------|------------------|-----------------|--------------------|-------------------------|----------------------|
| | % | \$ | \$ | \$ | \$ | \$ | \$ |
| Abitibi | | | | | | | |
| Maritime-Cadillac | 49 | 236,090 | 56,235 | - | (54) | - | 292,271 |
| Laflamme | 72.6 | 1,893,853 | 332,006 | - | (23,795) | - | 2,202,064 |
| Patris | 100 | 221,646 | 198 | - | - | - | 221,844 |
| Casault | 50 | 352,708 | 691,965 | - | (80,708) | - | 963,965 |
| Jouvex | 50 | 351,966 | 62,420 | - | (1,553) | - | 412,833 |
| Heva | 100 | 157,076 | 114,219 | - | (9,310) | - | 261,985 |
| Valmond | 100 | 120,742 | 3,572 | - | - | - | 124,314 |
| Samson | 100 | 78,203 | 6,230 | - | (1,022) | - | 83,411 |
| La Peltrie | 100 | 628,505 | 425,573 | - | (10,473) | - | 1,067,584 |
| Adam | 100 | 42,841 | 95,781 | - | (7,467) | - | 131,155 |
| Abitibi Au | 100 | 173,644 | 30,687 | - | (861) | - | 203,470 |
| Grenville-Appalaches | | | | | | | |
| Weedon | 100 | 523,230 | 105,245 | - | (1,578) | - | 626,897 |
| Gatineau | 100 | 29,024 | 14,981 | - | - | - | 44,005 |
| James Bay | | | | | | | |
| James Bay Au | 100 | 261,886 | 136,659 | - | (35,950) | - | 362,595 |
| Eleonore | 100 | 1,629,303 | 130,458 | - | (36,242) | - | 1,723,519 |
| JV Eleonore | 50 | 124,692 | 237,687 | - | (71,097) | - | 291,282 |
| JV BJ Altius | 50 | - | 219,291 | - | (56,510) | - | 162,781 |
| Northern Quebec | | | | | | | |
| Pallas PGE | 100 | 369,500 | 295,012 | - | (125,766) | - | 538,746 |
| Willbob | 100 | 565,271 | 2,151,089 | - | (589,487) | - | 2,126,873 |
| Quebec Labrador | | | | | | | |
| Ytterby | 50.6 | 183,583 | - | - | - | (183,583) ¹⁾ | - |
| Project Generation | | | | | | | |
| | 100 | 74,069 | 23,436 | - | (6,339) | - | 91,166 |
| | | 8 041,811 | 5,132,744 | - | (1,058,212) | (183,583) | 11,932,760 |

a) Willbob

On October 2, 2017, the Corporation signed an acquisition agreement whereby it acquired 9 claims for a \$10,000 cash payment and a 2% net smelter return ("NSR") royalty of which 1% can be bought back for a payment of \$1,000,000.

Midland Exploration Inc.

Notes to Financial Statements

Three months ended December 31, 2017

(Unaudited)

7. EQUITY

Authorized

Unlimited number of common shares without par value, voting and participating.

7.1 Private placements

On November 22, 2017, the Corporation completed a private placement by issuing 1,692,854 flow-through shares at \$1.35 per share, for total gross proceeds of \$2,285,354. On that date, the Corporation's share closed at \$0.94 on the Exchange, therefore the residual value attributed to the benefit related to flow-through shares renunciation is \$0.41 for a total value of \$694,070, credited to the liability related to the premium on flow-through shares. In connection with the private placement, the Corporation paid finder's fees of \$64,572. Directors and officers of the Corporation participated in these placements for a total consideration of \$131 625.

7.2 Warrants

Changes in the Corporation's number of outstanding warrants were as follow:

| | Three months ended December 31, 2017 | | Fiscal 2017 | |
|--------------------------------------|---|------------------|-------------------|------------------|
| | Number | Amount | Number | Amount |
| | | \$ | | \$ |
| Balance – Beginning of period | 20,622,569 | 1,922,031 | 21,254,213 | 1,997,093 |
| Exercised | - | - | (588,786) | (69,988) |
| Expired | - | - | (42,858) | (5,074) |
| Balance – End of period | 20,622,569 | 1,922,031 | 20,622,569 | 1,922,031 |

Warrants outstanding as at December 31, 2017 are as follows:

| Number of warrants | Exercise price | Expiry date |
|--------------------|-------------------|-------------|
| | \$ | |
| 20,622,569 | 1.15 | May 3, 2018 |
| 20,622,569 | | |

Midland Exploration Inc.

Notes to Financial Statements

Three months ended December 31, 2017

(Unaudited)

8. SHARE-BASED COMPENSATION

A summary of changes in the Corporation's common share purchase options is presented below:

| | Three months ended December 31, 2017 | | Fiscal 2017 | |
|--------------------------------------|---|--|----------------------|--|
| | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price |
| | | \$ | | \$ |
| Balance – Beginning of period | 3,190,000 | 1.10 | 2,495,000 | 1.10 |
| Granted | - | 1.13 | 695,000 | 1.13 |
| Balance – End of period | 3,190,000 | 1.10 | 3,190,000 | 1.10 |
| Balance – End of period exercisable | 2,750,835 | 1.10 | 2,551,668 | 1.10 |

The following table summarizes information about common share purchase options outstanding and exercisable as at December 31, 2017:

| Number of options outstanding | Number of options exercisable | Exercise price | Expiry date |
|----------------------------------|----------------------------------|-------------------|-------------------|
| | | \$ | |
| 260,000 | 260,000 | 1.76 | February 17, 2021 |
| 315,000 | 315,000 | 1.54 | February 16, 2022 |
| 20,000 | 20,000 | 1.61 | February 27, 2022 |
| 345,000 | 345,000 | 1.25 | February 19, 2023 |
| 605,000 | 605,000 | 0.85 | February 20, 2024 |
| 450,000 | 450,000 | 0.60 | August 13, 2025 |
| 500,000 | 416,667 | 1.10 | August 11, 2026 |
| 50,000 | 33,334 | 1.13 | November 23, 2026 |
| 545,000 | 272,500 | 1.14 | February 21, 2027 |
| 100,000 | 33,334 | 1.04 | May 10, 2027 |
| 3,190,000 | 2,750,835 | | |