NOTICE TO SHAREHOLDERS

BENTON RESOURCES INC.

(A Development Stage Enterprise)

Condensed Interim Financial Statements
For the three months ended September 30, 2017

(Stated in Canadian Dollars)

Responsibility for Financial Statements

The accompanying financial statements for Benton Resources Inc. have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") consistently applied. Only changes in accounting policies have been disclosed in these unaudited condensed interim financial statements. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the period ended September 30, 2017.

BENTON RESOURCES INC.
(A Development Stage Enterprise)

September 30, 2017

BENTON RESOURCES INC.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Prepared by Management – Unaudited)

As at	**September 30, 2017 $**	June 30, 2017 $
ASSETS		
Current		
Cash	**130,493**	146,733
Temporary investments (note 3)	**1,411,225**	1,952,168
Accounts and other receivables	**56,840**	32,131
Prepaid expenses	**11,158**	34,662
Refundable deposits (note 11)	**132,465**	118,015
	1,742,181	2,283,709
Long-term investments (note 4)	**605,654**	662,549
Property and equipment, net (note 5)	**86,851**	93,035
Exploration and evaluation assets (note 6)	**3,869,445**	3,485,624
	6,304,131	6,524,917
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Current		
Accounts payable and accrued liabilities (note 8)	**113,078**	38,703
Shareholders' Equity		
Capital Stock (note 7)		
Share capital	**27,424,174**	27,424,174
Reserves	**1,668,326**	1,668,326
Deficit	**(22,901,447)**	(22,606,286)
	6,191,053	6,486,214
	6,304,131	6,524,917

See Nature of Operations and Going Concern – Note 1
Commitments – Notes 6 and 12
Subsequent Events – Notes 4, 6 and 7

These financial statements are authorized for issue by the Board of Directors on November 20, 2017. They are signed on the Corporation's behalf by:

"Stephen Stares" President, Chief Executive Officer and Director
"Clint Barr" Director

See accompanying notes to the condensed interim financial statements

BENTON RESOURCES INC.
(A Development Stage Enterprise)

CONSENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Prepared by Management – Unaudited)

	Three Months Ended Sept. 30, 2017 $	Three Months Ended Sept. 30, 2016 $
EXPENSES		
Advertising and promotion	15,078	20,960
Share-based payments	-	3,911
General and administrative	167,677	173,221
Professional fees	16,535	6,680
Consulting fees	16,667	8,333
Stock exchange and filing fees	-	2,250
Depreciation expense	6,331	7,218
Pre-acquisition exploration and evaluation	4,103	43,365
Foreign currency translation adjustment	17,953	(7,117)
	(244,344)	(258,821)
Other income (expense):		
Interest and investment income	4,555	15,640
Other income	-	1,656
Adjustment to fair value for fair value through profit and loss investments	(56,895)	(18,329)
Gain on disposal of property and equipment	1,523	-
Gain on sale of long-term investments	-	1,680
	(50,817)	647
Loss before deferred tax recovery	(295,161)	(258,174)
Deferred tax recovery – flow-through (note 7(d))	-	10,767
Loss and comprehensive loss for the period	(295,161)	(247,407)
Loss and comprehensive loss per common share – basic and diluted (note 9)	$0.00	$0.00
Weighted average shares outstanding – basic and diluted	79,406,031	76,999,509

See accompanying notes to the condensed interim financial statements

BENTON RESOURCES INC.
(A Development Stage Enterprise)

CONDENSED INTEIRM STATEMENTS OF CHANGES IN EQUITY
(Prepared by Management – Unaudited)
For the three months ended September 30, 2017 and 2016

	Share Capital			Retained	Total
				earnings	shareholders'
	Number	Amount	Reserves	(deficit)	equity
		$	$	$	$
Balance at June 30, 2016	**76,956,031**	**27,230,424**	**1,662,543**	**(20,385,328)**	**8,507,639**
Loss and comprehensive loss for the period	-	-	-	(247,407)	(247,407)
Private placement	2,000,000	200,000	-	-	200,000
Flow-through share premium (note 7(d))	-	(40,000)	-	-	(40,000)
Share-based payments	-	-	3,911	-	3,911
Balance at September 30, 2016	**78,956,031**	**27,390,424**	**1,666,454**	**(20,632,735)**	**8,424,143**
Balance at June 30, 2017	**79,406,031**	**27,424,174**	**1,668,326**	**(22,606,286)**	**6,486,214**
Loss and comprehensive loss for the period	-	-	-	(295,161)	(295,161)
Balance at June 30, 2017	**79,406,031**	**27,424,174**	**1,668,326**	**(22,901,447)**	**6,191,053**

See accompanying notes to the condensed interim financial statements

BENTON RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Prepared by Management – Unaudited)

	Three Months Ended Sept. 30, 2017 $	Three Months Ended Sept. 30, 2016 $
CASH FLOWS FROM (USED IN):		
OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	(295,161)	(247,407)
Deferred tax recovery – flow-through	-	(10,767)
Adjustment to fair value for fair value through profit and loss investments	56,895	18,329
Gain on disposal of property and equipment	(1,523)	
Depreciation expense	6,331	7,218
Share-based payments	-	3,911
Net change in non-cash working capital balances related to operating activities (note 10)	58,720	(338,577)
Cash flows used in operating activities	(174,738)	(567,293)
FINANCING ACTIVITIES		
Issuance of capital stock for cash	-	200,000
Cash flows from financing activities	-	200,000
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(393,940)	(106,945)
Expenditure recoveries on exploration and evaluation assets	4,595	19,475
Grants received on exploration and evaluation assets	5,524	-
Purchase of property and equipment	(1,624)	(4,680)
Gain on sale of long-term investments	-	(1,680)
Proceeds on disposal of property and equipment	3,000	
Unrealized change in fair market value of temporary investments included in cash	-	23,000
Net proceeds on sale of long-term investments	-	3,920
Cash flows used in investing activities	(382,445)	(66,910)
Decrease in cash and temporary investments	(557,183)	(434,203)
Cash and cash equivalents - beginning of period	2,098,901	3,688,763
Cash and cash equivalents – end of period	1,541,718	3,254,560
Cash and cash equivalents consists of the following:		
Cash	130,493	143,919
Temporary investments	1,411,225	2,964,476
Temporary investments - restricted	-	146,165
	1,541,718	3,254,560

Supplemental cash flow information (note 10)

See accompanying notes to the condensed interim financial statements

BENTON RESOURCES INC.
(A Development Stage Enterprise)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

September 30, 2017

1. NATURE OF OPERATIONS AND GOING CONCERN:

Benton Resources Inc. ("Benton" or the "Company") was incorporated on November 8, 2011 as 0924698 B.C. Ltd. (renamed Benton Resources Inc. on July 25, 2012) under the laws of British Columbia and is a development stage public company whose shares began trading on the TSX Venture Exchange on August 1, 2012. Its principal business activities are the acquisition, exploration and development of mineral properties. On July 27, 2012, the Company received certain assets by way of a court-approved plan of arrangement (the "Arrangement") from Benton Capital Corp. (formerly Benton Resources Corp.).

Benton's head office is located at 684 Squier Street, Thunder Bay, Ontario, P7B 4A8.

The accompanying financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes the realization of assets and the settlement of liabilities in the normal course of business. The appropriateness of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and/or generate continued financial support in the form of equity financings. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classification that would be necessary if the going concern assumption were not appropriate and such adjustments could be material.

	September 30, 2017	June 30, 2017
Working capital	$1,629,103	$2,245,006
Deficit	$(22,901,447)	$(22,606,286)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Statement of Compliance to International Financial Reporting Standards ("IFRS")

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB ("International Accounting Standards Board") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34- Interim Financial Reporting. The accounting policies followed in these condensed interim financial statements are the same as those applied in the audited annual financial statements of the Company for the year ended June 30, 2017 ("Fiscal 2017").

The policies applied in these interim condensed financial statements are based on IFRS issued and outstanding as of November 20, 2017 (the "Report Date"), the date the Audit Committee approved the statements. Any subsequent changes to IFRS after this date could result in changes to the financial statements for the period ended September 30, 2017.

The condensed interim financial statements do not contain all disclosures required under IFRS and should be read in conjunction with the audited annual financial statements and the notes thereto for Benton Resources Inc. for the year ended June 30, 2017.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

3. TEMPORARY INVESTMENTS:

	Sept. 30, 2017 $	June 30, 2017 $
Money Market Mutual funds	1,411,225	1,952,168

These funds are available for exploration and other purposes upon the request of the Company.

The mutual funds consist of fully liquid, managed money market fund units that yield regular monthly dividends at market rates. Included in the money market funds are USD denominated money market funds amounting to $358,036 USD (June 30, 2017 - $357,405USD) translated at the USD/CDN conversion rate at September 30, 2017 of $1.2463 (June 30, 2017 - $1.2965).

4. LONG-TERM INVESTMENTS:

	September 30, 2017		June 30, 2017	
	Market $	Cost $	Market $	Cost $
Canadian Equities				
Mineral Mountain Resources (i)	258,958	3,107,500	258,958	3,107,500
Alset Energy Corp. (ii)	254,294	383,229	317,868	383,229
Other	92,402	1,207,386	85,723	1,207,386
	605,654	4,698,115	662,549	4,698,115

(i) The 1,294,791 Mineral Mountain Resources ("Mineral Mountain") common shares are valued at the September 30, 2017 closing price of $0.20 per share (June 30, 2017 - $0.20). Mineral Mountain is listed on the TSX Venture Exchange under the symbol "MMV".

(ii) The 3,178,680 million Alset Energy Corp. ("Alset") common shares are listed on the TSX Venture Exchange under the symbol "ION" and are valued at the September 30, 2017 closing price of $0.08 per share (June 30, 2017 - $0.10). The Company received 1,000,000 of the shares as consideration for the sale of the Champion Graphite project to Alset during Fiscal 2016. Benton retained a 2% NSR on the project and Alset has the option to buy back 1% of the NSR for $500,000. During Fiscal 2016, Benton participated in a private placement financing with Alset acquiring an additional 1 million common units of Alset at a price of $0.10 per unit for a gross investment of $100,000. Each unit consists of one common share of Alset and one common share purchase warrant exercisable at $0.20 until October 17, 2018. In addition, Benton settled $153,229 in costs invoiced to Alset by Benton for personnel and related expenses in exchange for 1,178,680 common shares of Alset at a value of $0.13 per share.

Subsequent to September 30, 2017, the Company disposed of 1,124,000 shares of Alset at $0.10 per share for gross proceeds of $112,400.

5. PROPERTY AND EQUIPMENT:

	September 30, 2017			June 30, 2017		
	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Computer Equipment	$ 61,140	$ 60,207	$ 933	$ 61,140	$ 60,075	$ 1,065
Furniture and Equipment	137,208	90,932	46,276	135,583	88,539	47,044
Computer Software	115,971	113,830	2,141	115,971	113,116	2,855
Exploration Camps	220,532	204,127	16,405	220,532	202,797	17,735
Automotive	26,575	21,849	4,726	47,671	40,964	6,707
Leaseholds	25,184	8,814	16,370	25,184	7,555	17,629
Total	$ 586,610	$ 499,759	$ 86,851	$ 606,081	$ 513,046	$ 93,035

6. EXPLORATION AND EVALUATION ASSETS:

Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold, impaired or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production, or written-down if the properties are allowed to lapse, are impaired, or are abandoned. The deferred costs associated with each property for the three month period ended September 30, 2017 and year ended June 30, 2017 is summarized in the tables below:

For the three months ended September 30, 2017

		Saganaga/Q9 (a)	Abernethy (b)	Cape Ray (c)	Bedivere (d)	Other (e)	Total
June 30, 2017 - Acquisition Costs	$	-	-	836,412	89,914	148,780	1,075,106
Additions		-	-	-	441	8,767	9,208
Write-downs/Recoveries/Disposals **(f)**		-	-	-	-	-	-
Subtotal	$	-	-	-	441	8,767	9,208
Sept. 30, 2017 - Acquisition Costs	$	**-**	**-**	**836,412**	**90,355**	**157,547**	**1,084,314**
June 30, 2017 - Exploration and Evaluation Expenditures	$	-	-	1,406,990	272,345	731,183	2,410,518
Assaying		-	-	4,839	11,128	94	16,061
Prospecting		-	-	50,340	14,820	-	65,160
Geological		-	-	15,177	4,067	-	19,244
Geophysical		-	-	3,536	27,467	-	31,003
Line Cutting		-	-		28,352	-	28,352
Trenching		-	-		6,501	-	6,501
Diamond Drilling		-	-	28,948	179,560	-	212,008
Metallurgy		-	-	597	-	-	597
Resource Modeling		-	-	1,924	-	-	1,924
NI 43-101 Reporting		-	-	481	-	20	501
Environmental		-	-	481	-	-	481
Miscellaneous		-	-	500	2,400	-	2,900
Write-downs/Recoveries/Disposals **(f)**		-	-	-	-	(10,119)	(10,119)
Subtotal	$	-	-	106,823	274,295	(6,505)	374,613
Sept. 30, 2017 - Exploration and Evaluation Expenditures	$	**-**	**-**	**1,513,813**	**546,640**	**724,678**	**2,785,131**
Sept. 30, 2017 - Total	$	**-**	**-**	**2,350,225**	**636,995**	**882,225**	**3,869,445**

For the year ended June 30, 2017

		Saganaga/Q9 (a)	Abernethy (b)	Cape Ray (c)	Bedivere (d)	Other (e)	Total
June 30, 2016 - Acquisition Costs	$	284,083	13,569	835,352	-	91,078	1,224,082
Additions		-	-	1,060	89,914	72,176	163,150
Write-downs/Recoveries/Disposals **(f)**		(284,083)	(13,569)	-		(14,474)	(312,126)
Subtotal	$	(284,083)	(13,569)	1,060	89,914	57,702	(148,976)
June 30, 2017 - Acquisition Costs	$	**-**	**-**	**836,412**	**89,914**	**148,780**	**1,075,106**
June 30, 2016 - Exploration and Evaluation Expenditures	$	1,367	377,925	1,335,245	-	653,494	2,368,031
Assaying		-	-	-	22,961	7,644	30,605
Prospecting		-	-	678	77,279	37,300	115,257
Geological		-	-	24,195	3,907	6,594	34,696
Geophysical		-	-	15,628	72,887	-	88,515
Line Cutting		-	-	-	14,231	-	14,231
Trenching		-	-	-	54,321	18,304	72,625
Diamond Drilling		-	-	35,326	3,160	1,329	39,815
Resource Modeling		-	-	3,336	-	-	3,336
NI 43-101 Reporting		-	-	1,443	-	3,045	4,488
Compilation		-	-	2,886	-	-	2,886
Aboriginal Consultation		-	-	-	2,116		2,116
Miscellaneous		-	400	15,332	21,483	20,042	57,257
Write-downs/Recoveries/Disposals **(f)**		(1,367)	(378,325)	(27,079)	-	(16,569)	(423,340)
Subtotal	$	(1,367)	(377,925)	71,745	272,345	77,689	42,487
June 30, 2017 - Exploration and Evaluation Expenditures	$	**-**	**-**	**1,406,990**	**272,345**	**731,183**	**2,410,518**
June 30, 2017 - Total	$	**-**	**-**	**2,243,402**	**362,259**	**879,963**	**3,485,624**

(a) Saganaga Lake/Q9 Property

The Saganaga Lake Property consists of mining rights for 100% in 20 claims totalling 51 units, 100% in one claim totalling 2 units and 99% in 10 claims under option from Wing Resources in the Saganaga Lake area of Thunder Bay. Pursuant to an option agreement dated September 27, 2005, the Company acquired a 100% interest in the mining claims by paying the vendor a total of $100,000 in cash and issuing 100,000 shares over a four year period. The vendor retains a 3% NSR of which the Company has the right to buy back up to 50% for $500,000 per 0.5% NSR.

The Q-9 property is located approximately 160km west of Thunder Bay, Ontario and adjoins the Saganaga Gold property. The project was subject to an asset purchase, sale and royalty agreement dated May 8, 2006 between the Company and Stares Contracting Corp., a company controlled by Stephen Stares, Director and Officer and Michael Stares, Director of the Company, whereby the Company has a 100% interest subject to a 2% NSR in the project as a result of the Company having paid $75,000 and issued 200,000 shares. During Fiscal 2015, the Company wrote off $2,042,527 in deferred exploration and evaluation expenditures. As a result of limited exploration work on the property and no current plans to explore the project as well as unsuccessful efforts to secure a partner on the project, the Company wrote off the remaining$285,450 in deferred exploration and evaluation costs during fiscal 2017. The Company will continue to work to find a partner for the project.

(b) Abernethy Property

The Abernethy property is located 10km southwest of Kenora, Ontario. The Company acquired through staking, a 100% interest in the property which consists of 9 claims totaling 67 units.

During the year ended June 30, 2015, the Company executed a letter of intent ("LOI") with Element 79 Capital Inc. ("Element 79") pursuant to which Element 79 can earn up a 100% interest in the Abernethy.

During the year ended June 30, 2017, Element 79 informed the Company that it was unable to raise the required capital in order to complete their Qualifying Transaction and fulfill the terms of the LOI and therefore the agreement with the Company was cancelled. The Company retains the project 100%. Due to no current plans to explore the property and unsuccessful efforts to secure a partner for the project thus far, the Company wrote off $391,894 in deferred exploration and evaluation expenditures during fiscal 2017. The Company remains committed to finding a partner to advance the project.

(c) Cape Ray

The Cape Ray project is comprised of the following groups of claims:

Windowglass Hill and 51 Zone Deposits

During Fiscal 2013, the Company signed a binding letter of intent with Cornerstone Capital Resources Inc. ("Cornerstone") to acquire up to a 75% interest in Cornerstone's Windowglass Hill and 51 Zone deposits (collectively the "Property"), located approximately 25km northeast of the town of Port aux Basques in southwestern Newfoundland. The Property consists of a single 183-claim mineral license which covers an area of 4,575 ha. To earn the initial 70%, the Company must make cash payments totaling $125,000 ($20,000 paid on signing) and 155,000 common shares of the Company (25,000 shares paid on signing) as well as work commitments totaling $2 million, all over a period of four years. The Company can earn the additional 5% (taking its interest to 75%) by incurring an additional $1 million in exploration expenditures at its sole election but such election must be made within a period that is 18 months from the date that the Company's interest vests at 70%.

During Fiscal 2014, the Company amended its agreement with Cornerstone. Pursuant to the terms of the amended agreement, the Company has acquired a 100% interest in the Cape Ray Gold project by paying, in addition to the on signing payments made above, $200,000 and issuing 350,000 common shares of the Company. Under the amended agreement, Cornerstone received an additional 0.25% NSR thereby increasing the total NSR on the project to 2%, of which the Company has the right to purchase back 1% for $1 million.

During Fiscal 2015, the Company executed a Letter of Intent with Nordmin Engineering Ltd. on certain of the deposits at Cape Ray as further described below.

04/41/Isle Aux Mort/Big Pond Deposits

During Fiscal 2014, the Company entered into an option agreement with Tenacity Gold Mining Company Ltd. (“Tenacity”) to purchase a 100% interest in four mining claims which encompasses the 04 , 41 , Isle Aux Mort and the Big Pond gold deposits located in southwest Newfoundland. The Company paid $400,000 and issued 1.5 million common shares valued at $105,000 to Tenacity in connection with the agreement. During Fiscal 2015 the Company exercised its option to acquire a 100% interest by issuing a further 1.5 million common shares valued at $75,000 (accordingly a total of 3 million shares were issued by the Company for the property). The acquired claims are subject to a sliding scale net smelter returns royalty (NSR) on the production of metals: a 3% NSR on production when the price of gold is below $2,000 per ounce; a 4% NSR when the price of gold is from $2,000 to less than $3,000 per ounce subject to the right of the Company to buy back 1% for $500,000; and a 5% NSR when the price of gold is $3,000 or above subject to the right of the Company to buy back 1% for $500,000.

Cape Ray East

The 100% owned Cape Ray East Property was acquired by staking and is comprised of 510 contiguous claims. The property is located approximately 30 km northeast of Port aux Basques, southwestern Newfoundland, at the southernmost point and continues in a northeast and easterly direction for approximately 40 km.

Nordmin Engineering Option/Joint Venture

During Fiscal 2015, the Company entered into a definitive agreement (the “Agreement”) with Nordmin Engineering Ltd. (“Nordmin”) to advance towards production four of the six gold deposits at the Company’s Cape Ray project located in southwest Newfoundland, should the economic viability of the project be established. The Agreement was also amended during the period ended March 31, 2017. The 04, 41, 51 and Windowglass Hill deposits (the “Project”) are included in the Agreement while the Isle Aux Morts and Big Pond deposits will be retained 100% by Benton. Pursuant to the Agreement, Benton and Nordmin will form a joint venture pursuant to which Nordmin will have the right to earn up to a 50% interest in the Project in return for incurring expenditures and providing services at its expense in connection with the Project as further described herein.

Upon signing the Agreement, Benton will form a wholly-owned subsidiary, (“SubCo B” for illustrative purposes) (pending completion) and transfer 100% of Benton’s property rights in the Project to SubCo B. Nordmin may then earn up to 50% of the Project held by SubCo B by completing a series of work commitments and project milestones, certain of which have been completed, to advance the Project towards production as follows:

- Benton will lead the exploration effort for the Project which will be funded by Nordmin up to the completion of the Feasibility Study. This includes any infill drilling to allow the deposits to be brought up to National Instrument 43-101 status (“NI 43-101”). The necessity for further exploration will be determined and approved by the management committee;
- Nordmin earned a 5% interest in the Project by making a $250,000 cash payment in two tranches to SubCo B in connection with an exploration program. The first tranche of $125,000 was paid upon signing of the Agreement and the second tranche of $125,000 was received during Fiscal 2015; Nordmin earned a further 15% interest by funding and providing the services required to complete NI 43-101 resource estimates for the 04, 41, 51, and Windowglass Hill deposits, and completing a resource model, a preliminary economic assessment (PEA), a detailed assessment of the Geology, Mining, Metallurgy, Environmental, Engineering, Construction, Economics and a Schedule for the Project (completed);
- Nordmin, under an amendment to the Agreement, agreed to drill not less than 10,000 meters by August 30, 2017. The first 5,000m portion of this program is to be completed by November 15, 2016 (subsequently completed) and is designed to assist with the preparation of a pre-feasibility study by January 31, 2017 (postponed until after 2017 drill program). The second 5,000m phase of drilling will commence no later than June 15, 2017 and is designed to assist with the preparation of a feasibility study on the main deposits of the project by October 31, 2018. Should Nordmin fail to complete the second phase of drilling, the pre-feasiblity study or the feasibility study in the timelines described, the option will revert to a joint venture under the applicable earned interest.
- Nordmin was initially required by August 31, 2016, in order to earn a further 10% interest, to complete the Environmental Assessment and Impact reviews, and secure the necessary permits for a mine, mill and related plant in order for the Project to move forward. Under an amendment to the Agreement during the current period, the Company and Nordmin have agreed to remove this term from the agreement and replace it with the requirement to complete an Environmental Assessment and Environmental Impact Study and the

requirement to secure the necessary permits for a mine, mill and related plant by a date that is to be agreed upon by both parties within 30 days after the Newfoundland government responds to the Project Description. Should Benton and Nordmin not reach an agreed upon completion date, one will be determined by arbitration. Completion of this amended term will take Nordmin's interest to 30%;
- Nordmin was initially required by August 31, 2017, in order to earn a further 10% interest, to complete a feasibility study for the Project (detailing and advancing all of the same issues within the PEA). During the current period, this term was amended to allow Nordmin until October 31, 2018 to complete the bankable feasibility study;
- Nordmin, by August 31, 2018 in order to earn a further 10% interest, must complete the detailed design of the mine, mill and related plant and work to arrange a minimum of 50% of the Project financing;
- Nordmin will assume operatorship of the Project upon signing of the Agreement;
- Nordmin will provide the procurement, project and construction management for the Project, including commissioning and start-up. The costs and fees associated with this effort will be part of the Project financing;
- Nordmin must spend a minimum of $4.5 million of expenditures and equivalent services, with any excess going towards Project development;
- Should Nordmin fail to earn a 50% interest, operatorship will revert back to Benton;
- Should Nordmin not participate in the Project development on a pro-rata basis after the earn-in period, Nordmin will suffer a standard dilution to their pro-rata interest – such clause also applies to Benton; and
- The intent is that the work proposed within the LOI will be completed in a minimum of three (3) years and a maximum of five (5) years, dependent upon market conditions or other outside factors that are beyond the control of the parties.

During the year ended June 30, 2017, Nordmin notified Benton that they have elected not to complete the necessary milestones required in the agreement to earn a 30% interest in the project and as a result the partners will form a 80% Benton and 20% Nordmin joint venture and operatorship of the project will return to Benton. If Nordmin gets diluted to less than 10% its interest will be converted to a 0.5% NSR, one-half of which can be purchased by Benton for $400,000.

(d) **Bedivere**

During the year ended June 30, 2017, the Company signed a binding Letter of Intent ("LOI") to enter into an option agreement with Traxxin Resources ("Traxxin"), a privately owned company, to acquire a 100% interest in their Bedivere Property located 130km west of Thunder Bay, Ontario and 18km north of Highway 11/17 accessible by new logging roads in the area. Under the terms of the option agreement and subject to regulatory approval, Benton can earn a 100% interest in the Property which consists of 109 units in 12 claims by paying to Traxxin $450,000 and issuing 3,000,000 shares over a four year period on the following schedule:

- $45,000 and 300,000 Company common shares on October 31, 2016 (paid and issued);
- $85,000 and 600,000 Company common shares on October 31, 2017 (subsequently paid and issued);
- $95,000 and 600,000 Company common shares on October 31, 2018;
- $100,000 and 600,000 Company common shares on October 31, 2019, and;
- $125,000 and 900,000 Company common shares on October 31, 2020.

The Property will be subject to a 3% NSR royalty in favour of Traxxin of which 1% can be purchased by Benton at the Company's election for $1 million. In addition, the Company must spend a total of $1 million in exploration expenditures over the four year period with a minimum of $250,000 expended within the first year from the date of the LOI (first year commitment completed). The Company will also grant to Traxxin a 1% NSR on surrounding ground staked by the Company as long as the Company or any of its affiliates holds an interest in the optioned claims.

(e) **Other Properties**

Other Properties consists of several early stage projects that the Company is evaluating for exploration potential. Included in Other Properties are certain projects that are subject to agreements that are more fully described below.

(i) Kingurutik Lake Property

The Kingurutik Lake property was acquired 100% by staking in late October 2006.

The Company entered into a Participation Agreement (the "Teck Agreement") with Teck Resources Ltd. ("Teck") whereby the Company and Teck formed the Kingurutik Lake project by amalgamating and jointly exploring certain of their land positions in Labrador. The project is located approximately 60km north of the Voisey's Bay copper-nickel deposit and consists of the 116 claim units held by the Company, (previously known as the NBK property), and 56 claim units held by Teck.

(ii) Staghorn Option

During Fiscal 2015, the Company executed an option agreement (the "Agreement") with Metals Creek Resources Corp. ("MEK") whereby the Company can earn up to a 70% interest in MEK's 100% owned Staghorn Gold project in Newfoundland.

During the year ended June 30, 2017, the Company and Metals Creek entered into an agreement (the "Quadro Option") with Quadro Resources Ltd. (NEX: QRO) ("Quadro") wherby Quadro will have an option to acquire a 100% interest in the Staghorn property and all rights to the newly optioned Rose Gold property which is contiguous with the northern border of the Staghorn property. Under the terms of the option Quadro must complete a 2:1 share consolidation (subsequently completed), settle outstanding debts and payables, complete no less than a $1 million financing and issue 4,000,000 shares of Quadro (post-consolidation) to each of Benton and Metals Creek (subsequently received). Quadro must also assume all obligations of the Rose Gold property option, while the optionor has agreed to accept Quadro shares in place of the 225,000 Benton shares and 225,000 Metals Creek shares (450,000 shares combined) originally negotiated. The Quadro Option will be subject to the certain royalties held by Benton and Metals Creek (the "Benton/Metals Creek Royalty") as well as a royalty held by Ed Northcott and Gilbert Lushman (the "Northcott/Lushman Royalty") and a royalty held by Shawn Rose (the "Rose Royalty") all of which are described below:

- The Benton/Metals Creek Royalty represents a 3km area of interest that is subject to a 3% NSR in favour of Benton/Metals Creek, 2% of which can be purchased at any time for $2 million;
- The Northcott/Lushman Royalty represents a 3km area of interest that is subject to: (i) a 2% NSR in favour of Ed Northcott and Gilbert Lushman, 1% of which can be purchased at any time for $1 million; and (ii) a 1% NSR in favour of Benton/Metals Creek; and
- The Rose Royalty the together with a 1km area of interest is subject to: (i) a 2% NSR in favour of Shawn Rose, 1% of which can be purchased at any time for $1 million; and (ii) a 1% NSR in favour of Benton/Metals Creek.

The Company was earning an initial 60% interest in the Staghorn project pursuant to the abovementioned terms however the Company and Metals Creek have agreed to dissolve this agreement in favour of completing the Quadro Option on a 50%-50% basis. The agreement received final acceptance by the TSX Venture Exchange in the subsequent period.

(iii) Bark Lake

During the year ended June 30, 2017, the Company executed an option agreement with Rio Tinto Exploration Canada Inc. ("RTEC") (a wholly-owned subsidiary of Rio Tinto) on the Company's 100%-owned Bark Lake copper, nickel and platinum group elements ("Cu-Ni-PGE") project. Under the terms of the option, RTEC can earn a 70% interest by incurring $3 million in exploration expenditures and by paying Benton $50,000 cash over 5 years (the "First Option") ($10,000 received). After the First Option period, RTEC may either form a joint venture with Benton on a 70/30 basis or, at its election, increase its interest to 80% (the "Second Option") by spending an additional $5 million in exploration expenditures over the next 4 years and by paying Benton $100,000 cash within 30 days after electing to exercise the Second Option. Upon exercising the Second Option, RTEC may elect to form a joint venture with Benton on an 80/20 basis.

Subsequent to September 30, 2017, the Company received $20,000 from RTEC for the first anniversary payment under the option agreement.

(iv) Alder East

During the year ended June 30, 2017, the Company executed an option agreement with Sokoman Iron Corp. ("Sokoman") on the Company's Alder East property consisting of a single licence, containing 20 units, located in central Newfoundland. Under the terms of the option, Sokoman will have the option to earn a 100% interest in the Alder East property under the following terms:

- Paying Benton $1,500 cash (received) and issuing 1 million shares (received) of Sokoman upon signing, acceptance and approval by the TSX Venture Exchange (accepted and approved);
- Issuing 500,000 shares to Benton on the first anniversary of the option agreement;
- Issuing 500,000 shares to Benton on second anniversary of the option agreement;
- Benton will retain a 2% NSR on the Alder East project with Sokoman having the option to buy-back 1% for $1 million;
- Sokoman agrees to keep ground in good standing throughout the option period and if the property is returned to Benton, it is returned with at least 6 months of assessment credit;
- Paying Benton $100,000 in cash, shares or a combination of cash and shares upon completion of a NI 43-101 compliant mineral resource;
- Paying Benton $200,000 in cash, shares or a combination of cash and shares upon completion of a pre-feasibility study; and
- Paying Benton $300,000 in cash, shares or a combination of cash and shares upon completion of a final/full/bankable feasibility.

(v) Shebandowan

During the year ended June 30, 2017, the company executed an option agreement with White Metal Resources Corp. ("White Metal") (a company related by common director Michael Stares) on the Company's Shebandowan project which consists of 135 units in 12 claims in the Burchell Lake, Greenwater Lake and Kashabowie Lake areas in the Thunder Bay mining district. White Metal will have the option to earn a 100% interest in the Shebandowan property under the following terms:

- Paying Benton $15,000 cash (received) and issuing 200,000 shares (received) of White Metal on signing, acceptance and approval by the TSX Venture Exchange (accepted and approved);
- Benton will retain a 2% NSR on the Shebandowan property with White Metal having the option to buy-back 1% for $1 million;
- White Metal agrees to keep all claims in good standing and should White Metal elect to drop any claims contained within the option agreement, they will do so with at least 6 months of assessment credit; and
- Paying Benton $500,000 in cash, shares or a combination of cash and shares at White Metal's election upon completion of a NI 43-101 compliant resource on any claims contained within the option agreement.

(vi) Bold Project

During the year ended June 30, 2017, the Company acquired by staking a 100% interest in the Bold cobalt-copper-nickel project located 50km northeast of Mine Centre, Ontario. Subsequent to staking the four separate claim blocks that compose the Bold project, the Company entered into an option agreement with ASX-listed Ardiden Limited (ASX: ADV) whereby Ardiden can acquire 100% interest by paying Benton $10,000 cash (received) and 200,000 shares (subsequently received). Benton will retain a 2% Net Smelter Royalty of which 1% can be purchased by Ardiden for $500,000.

(f) **Write-downs/Recoveries/Disposals**

Reductions to the carrying costs of mineral properties result from amounts recorded for write-downs and for cost recoveries or earn-ins or dispositions during the period ended September 30, 2017 and the year ended June 30, 2017 were as follows:

	Sept. 30, 2017 $	June 30, 2017 $
Write-downs:		
Saganaga/Q9	-	285,450
Abernethy	-	391,894
Other Properties	-	1,300
Subtotal	-	678,644
Recoveries/Dispositions:		
Cape Ray	-	27,079
Other	10,119	29,743
Subtotal	10,119	56,822
Total	**10,119**	**735,466**

7. CAPITAL STOCK:

(a) Share Capital

Authorized:

Unlimited common shares without par value
One voting preference share

Issued and outstanding:

79,406,031 common shares
Nil preference shares

(b) Stock Options

Details of stock option transactions for the period ended September 30, 2017 and year ended June 30, 2017 are as follows:

	# of Options	Weighted Average Exercise Price
Balance, June 30, 2016	12,440,000	$0.13
Expired during the period	(700,000)	$0.13
Balance, June 30, 2017	11,740,000	$0.13
Expired during the period	(6,950,000)	$0.15
Balance, September 30, 2017	4,790,000	$0.10

The following table summarizes information about the options outstanding at September 30, 2017 and June 30, 2017:

Expiry Date	Exercise Price	September 30, 2017 # of Options	June 30, 2017 # of Options
August 15, 2017	$0.15	-	6,950,000
January 21, 2019	$0.10	2,470,000	2,470,000
May 13, 2020	$0.10	2,320,000	2,320,000
		4,790,000	11,740,000

(c) Stock Option Plan

The Company has a Stock Option Plan (the "Plan") for directors, officers, employees and consultants. The Plan authorizes the granting of options to purchase up to a maximum of 15,524,706 common shares of which 4,790,000 are outstanding at September 30, 2017. The Plan provides that:

i) any options granted pursuant to the Plan shall expire no later than five years after the date of grant;

ii) any options granted pursuant to the Plan shall be non-assignable and non-transferable;

iii) the number of common shares issuable pursuant to the Plan to any one person in any 12 month period shall not exceed 5% of the outstanding common shares;

iv) the number of common shares issuable pursuant to the Plan to any one consultant in any 12 month period may not exceed 2% of the outstanding common shares;

v) the number of common shares issuable pursuant to the Plan to persons employed in investor relation activities may not exceed 2% of the outstanding common shares in any 12 month period.

vi) the Plan provides that options shall expire and terminate 30 days following the date the optionee ceases to be an employee, director or officer of, or consultant to, the Company, provided that if such termination is as a result of death of the optionee, the optionee's personal representative shall have one year to exercise such options.

vii) The number of common shares: (1) reserved for issuance to insiders of the Company may not exceed 20% of the issued and outstanding common shares; and (2) which may be issued to insiders within a one year period may not exceed 20% of the issued and outstanding common shares.

viii) the Plan provides that options granted under the plan shall vest in the optionee, and may be exercisable by the optionee as follows: (1) 25% on the date of granting; (2) 25% six months from the date of granting; (3) 25% twelve months from the date of granting; and (4) 25% eighteen months from the date of granting.

(d) Private Placements

During the year ended June 30, 2017, the Company completed a non-brokered flow-through private placement by issuing 2,000,000 flow-through shares at a price of $0.10 per share for aggregate proceeds of $200,000.

The deferred premium on the issuance of the 2,000,000 flow-through shares was $40,000. This difference between the proceeds of the placement and the net amount recorded in the Company's share capital account is treated as a liability in accordance with IFRS. This liability is reversed into earnings as the Company incurs flow-through eligible exploration and evaluation expenditures. This reversal amounted to $40,000 for the year ended June 30, 2017 (June 30, 2016 –nil) resulting in a deferred premium balance of nil at June 30, 2017 (June 30, 2016 – nil) as flow-through proceeds were fully expended by the end of the period.

Subsequent to September 30, 2017, the Company completed a non-brokered flow-through private placement for gross proceeds of $305,000, consisting of 3,812,500 flow through units ("FT Units") at a price of $0.08 per FT Unit. Each FT Unit includes one (1) full Common Share Purchase Warrant exercisable at $0.25 for 12 months from the date of issuance. All securities issued in the placement are subject to a four-month hold period. In connection with the private placement, the Company paid cash finders' fees totalling $12,600 as well as 157,500 finders' warrants exercisable at $0.25 for 12 months from the date of issuance.

8. RELATED PARTY TRANSACTIONS:

The Company paid or accrued the following amounts to related parties during the period ended September 30, 2017 and 2016:

Payee	Description of Relationship	Nature of Transaction	September 30 2017 Amount ($)	September 30, 2016 Amount ($)
Stares Contracting Corp.	Company controlled by Stephen Stares, Director and Officer and Michael Stares, Director	Equipment purchases included exploration and evaluation assets	1,600	-
Gordon J. Fretwell Law Corporation	Company controlled by Gordon Fretwell, Officer and former director	Legal fees and disbursements charged/accrued during the period	11,535	-
Michael Stares	Director	Equipment rentals included in exploration and evaluation assets	1,136	-
Stares Prospecting Ltd.	Company controlled by Alexander Stares, Brother of Stephen and Michael Stares	Prospecting services, equipment rentals and expenses included in exploration and evaluation assets	40,324	12,998
Newfie Shores	Partnership controlled by Stephen Stares, Director and Officer, and Michael Stares, Director	Payments for cabin rentals capitalized in deferred development expenditures	12,150	-

The purchases from and fees charged by the related parties are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the period ended September 30, 2017, the Company paid director fees to one of its directors totaling $2,500 for services rendered on the Company's Audit Committee (September 30, 2016 - $2,500). The director is to receive $2,500 per quarter.

Included in accounts payable and accrued liabilities is $13,535 (September 30, 2016 - $nil) to Gordon Fretwell Law Corporation and $nil (September 30, 2016 – $6,469) to Stares Prospecting Ltd. The repayment terms are similar to the repayment terms of non-related party trade payables.

During the period ended September 30, 2017, the Company invoiced White Metal Resources Corp. (related by common director Michael Stares) $21,536 for field, technical and accounting support as well as reimbursement of expenses (September 30, 2016 - $29,186).

Key management personnel remuneration during current period included $128,648 (September 30, 2016 - $128,648) in salaries and benefits and $nil (September 30, 2016 - $2,525) in share-based payments. There were no post-retirement or other long-term benefits paid to key management personnel during the current period.

9. LOSS PER SHARE:

Basic loss per common share has been calculated using the weighted average number of common shares outstanding in each respective period. As the issue of shares upon the exercise of stock options would be anti-dilutive, diluted loss per common share is equivalent to basic loss per common share.

10. SUPPLEMENTAL CASH FLOW INFORMATION:

Net change in non-cash working capital balances related to operating activities consists of:

	September 30, 2017 $	September 30, 2016 $
Accounts and other receivables	(24,709)	(280,802)
Prepaid expenses	23,504	(90,351)
Refundable deposits	(14,450)	29,123
Accounts payable and accrued liabilities	74,375	3,453
Total	58,720	(338,577)

Except as otherwise disclosed herein, there were no other non-cash transactions during the respective periods.

11. REFUNDABLE DEPOSITS:

Refundable security deposits of $132,465 (June 30, 2016 - $81,605) represents security deposits paid to the Government of Newfoundland and Labrador in connection with mineral property claims located in the Province of Newfoundland. These refundable security deposits are refundable to the Company upon submission by the Company of a report covering the first year work requirements, which meets the requirements of the Government of Newfoundland and Labrador.

12. COMMITMENTS:

The Company has commitments as described in note 6 related to its exploration and evaluation assets.

During the year ended June 30, 2016, the Company entered into an office lease agreement for its head office premises. The initial term of the lease is for three years commencing on June 1, 2016 and will terminate on the last day of May, 2019. The lease is a triple net lease paid in monthly installments of $3,100 plus HST which includes base rent and prescribed additional rents as per the agreement with annual adjustments to additional rents based on actual costs. Pursuant to the lease, the Company is entitled to an extension at the end of the initial three year term for an additional two year term and, following that, an additional extension at the end of the fifth year of the term for an additional five year period at amounts negotiated at that time.