BENTON
RESOURCES INC.

(A Development Stage Enterprise)

Financial Statements
June 30, 2019 and 2018

(Stated in Canadian Dollars)

BENTON RESOURCES INC.
(A Development Stage Enterprise)

June 30, 2019

Wasserman Ramsay

Chartered Professional Accountants

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Benton Resources Inc.:

Opinion

We have audited the financial statements of Benton Resources Inc. (the "Company"), which comprise the statements of financial position as at June 30, 2019 and 2018, and the statements of income (loss) and comprehensive income (loss), cash flows and changes in equity for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that for the year ended the Company incurred losses of $1,330,133 and had an accumulated deficit of $21,863,071 at year end. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Florence Chee.

Wasserman Ramsay

Markham, Ontario
October 3, 2019

Chartered Professional Accountants
Licensed Public Accountants

BENTON RESOURCES INC.
(A Development Stage Enterprise)

STATEMENTS OF FINANCIAL POSITION

As at	**June 30, 2019 $**	June 30, 2018 $
ASSETS		
Current		
Cash	**65,665**	180,264
Temporary investments (note 4)	**3,118,396**	1,035,572
Accounts and other receivables (note 7(b))	**73,361**	5,431,105
Prepaid expenses	**17,795**	22,511
Refundable deposits (note 16)	**111,996**	148,491
	3,387,213	6,817,943
Long-term investments (note 5)	**2,293,793**	433,974
Property and equipment, net (note 6)	**70,785**	76,794
Exploration and evaluation assets (note 7)	**1,923,643**	1,562,802
	7,675,434	8,891,513
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Current		
Accounts payable and accrued liabilities (note 9)	**71,622**	44,954
Shareholders' Equity		
Capital Stock (note 8)		
Share capital	**27,639,934**	27,626,434
Reserves	**1,826,949**	1,753,063
Deficit	**(21,863,071)**	(20,532,938)
	7,603,812	8,846,559
	7,675,434	8,891,513

See Nature of Operations and Going Concern – Note 1
Commitments – Notes 7 and 17
Subsequent Events – Notes 5 and 18

These financial statements are authorized for issue by the Board of Directors on October 3, 2019. They are signed on the Corporation's behalf by:

"Stephen Stares" President, Chief Executive Officer and Director
"William Harper" Director

See accompanying notes to the financial statements

BENTON RESOURCES INC.
(A Development Stage Enterprise)

STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE YEARS ENDED JUNE 30

	2019 $	2018 $
EXPENSES		
Advertising and promotion	85,700	71,911
Share-based payments (note 12)	73,886	71,435
General and administrative	554,767	836,830
Professional fees	54,551	51,170
Consulting fees	-	16,667
Stock exchange and filing fees	10,199	9,910
Depreciation expense	23,477	28,114
Pre-acquisition exploration and evaluation	35,190	10,763
Write-down of exploration and evaluation assets	321,354	80,598
Foreign currency translation adjustment	8,296	(6,449)
	(1,167,420)	(1,170,949)
Other income (expense):		
Interest and investment income	58,502	13,911
Other income	9,785	3,460
Adjustment to fair value for fair value through profit and loss investments	(466,598)	(23,876)
Gain on sale or option of exploration and evaluation assets	135,766	3,032,282
Gain on disposal of property and equipment	2,567	1,676
Gain on sale of long-term investments	97,265	106,281
	(162,713)	3,133,734
Income (loss) before deferred tax recovery	(1,330,133)	1,962,785
Deferred tax recovery – flow-through (note 8(e))	-	110,563
Income (loss) and comprehensive income (loss) for the year	(1,330,133)	2,073,348
Income (loss) and comprehensive income (loss) per common share – basic and diluted (note 10)	(0.02)	0.03
Weighted average shares outstanding – basic and diluted	84,050,997	82,301,613

See accompanying notes to the financial statements

BENTON RESOURCES INC.
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STATEMENTS OF CHANGES IN EQUITY
For the years ended June 30, 2019 and 2018

	Share Capital		Reserves			
	Number	Amount $	Warrants $	Equity-Settled Benefits $	Deficit $	Total $
Balance at June 30, 2017	**79,406,031**	**27,424,174**	**-**	**1,668,326**	**(22,606,286)**	**6,486,214**
Income and comprehensive income for the year	-	-		-	2,073,348	2,073,348
Private placement	3,812,500	291,698	13,302	-	-	305,000
Share issue costs	-	(14,875)	-	-	-	(14,875)
Flow-through share premium (note 8(e))	-	(110,563)	-	-	-	(110,563)
Issued in connection with property option agreements	650,000	36,000	-	-	-	36,000
Share-based payments	-	-	-	71,435	-	71,435
Balance at June 30, 2018	**83,868,531**	**27,626,434**	**13,302**	**1,739,761**	**(20,532,938)**	**8,846,559**
Income and comprehensive income for the year	-	-		-	(1,330,133)	(1,330,133)
Issued in connection with property option agreements	300,000	13,500	-	-	-	13,500
Expiration of warrants	-	-	(13,302)	13,302	-	-
Share-based payments	-	-	-	73,886	-	73,886
Balance at June 30, 2019	**84,168,531**	**27,639,934**	**-**	**1,826,949**	**(21,863,071)**	**7,603,812**

See accompanying notes to the financial statements

BENTON RESOURCES INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30

	2019 $	2018 $
CASH FLOWS FROM (USED IN):		
OPERATING ACTIVITIES		
Income (loss) and comprehensive income (loss) for the year	(1,330,133)	2,073,348
Deferred tax recovery – flow-through	-	(110,563)
Adjustment to fair value for fair value through profit and loss investments	466,598	23,876
Gain on disposal of property and equipment	(2,567)	(1,676)
Depreciation expense	23,477	28,114
Share-based payments	73,866	71,435
Write-down of exploration and evaluation assets	321,354	80,598
Net change in non-cash working capital balances related to operating activities (note 15)	3,085,623	(3,071,048)
Cash flows from (used in) operating activities	2,638,218	(905,916)
FINANCING ACTIVITIES		
Issuance of capital stock for cash	-	305,000
Share issue costs – cash commission	-	(14,875)
Cash flows from financing activities	-	290,125
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(805,992)	(1,086,883)
Expenditure recoveries on exploration and evaluation assets	13,296	82,608
Grants received on exploration and evaluation assets	100,000	5,524
Purchase of property and equipment	(19,700)	(14,899)
Gain on sale or option of exploration and evaluation assets	(135,766)	(3,032,282)
Proceeds on sale or option of exploration and evaluation assets	43,766	3,106,280
Gain on sale of long-term investments	(97,265)	(106,281)
Net proceeds on sale of long-term investments	203,790	771,460
Proceeds on disposal of property and equipment	4,800	4,700
Unrealized change in fair market value of temporary investments included in cash	23,078	2,499
Cash flows used in investing activities	(669,993)	(267,274)
Decrease in cash and temporary investments	1,968,225	(883,065)
Cash and cash equivalents - beginning of year	1,215,836	2,098,901
Cash and cash equivalents – end of year	3,184,061	1,215,836
Cash and cash equivalents consists of the following:		
Cash	65,665	180,264
Temporary investments	3,118,396	1,035,572
	3,184,061	1,215,836

Supplemental cash flow information (note 15)

See accompanying notes to the financial statements

BENTON RESOURCES INC.
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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2019

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.

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.

	June 30, 2019	June 30, 2018
Working capital	$3,315,591	$6,772,989
Deficit	$(21,863,071)	$(20,532,938)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

These financial statements, including comparatives, have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") in effect as of June 30, 2019.

Basis of Presentation

The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The standards that are effective in the annual financial statements for the year ending June 30, 2019 are subject to change and may be affected by additional interpretation(s).

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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

Financial Instruments

The Company adopted IFRS 9 as of July 1, 2018

Financial assets
Financial assets are classified as either financial assets at fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVTOCI") or amortized cost. The Company determines the classification of financial assets at initial recognition.

Financial assets at Fair-value through profit or loss–
Financial instruments classified as fair value through profit and loss are reported at fair value at each reporting date, and any change in fair value is recognized in the statement of operations in the period during which the change occurs. Realized and unrealized gains and losses from assets held at FVTPL are included in losses in the period in which they arise.

Financial assets at Fair-value through other comprehensive income–
Financial assets carried at FVTOCI are initially recorded at fair value plus transaction costs with all subsequent changes in fair value recognized in other comprehensive income (loss). For investments in equity instruments that are not held for trading, the Company can make an irrevocable election (on an instrument-by-instrument basis) at initial recognition to classify them as FVTOCI. On the disposal of the investment, the cumulative change in fair value remains in other comprehensive income (loss) and is not recycled to profit or loss.

Financial assets at amortized cost –
Financial assets are classified at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. The Company 's accounts receivable are recorded at amortized cost as they meet the required criteria. A provision is recorded based on the expected credit losses for the financial asset and reflects changes in the expected credit losses at each reporting period.

Financial liabilities
Financial liabilities are initially recorded at fair value and subsequently measured at amortized cost, unless they are required to be measured at FVTPL (such as derivatives) or the Company has elected to measure at FVTPL. The Company's financial liabilities include trade and other payables which are classified at amortized cost.

The Company has completed a detailed assessment of its financial instruments as of June 30, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9.

	IAS	IFRS 9
Cash and cash equivalents	FVTPL	FVTPL
Temporary investments	FVTPL	FVTPL
Long term investments	FVTPL	FVTPL
HST/QST receivable	Loans and receivable	Amortized cost
Trade and other payables	Other financial liabilities	Amortized cost

The adoption of this standard did not have a material impact on the Company's financial statements but resulted in certain additional disclosures. The carrying value and measurement of all financial instruments remains unchanged as of June 30, 2018 as a result of the adoption of the new standard.

Impairment
IFRS 9 requires an 'expected credit loss' model to be applied which requires a loss allowance to be recognized based on expected credit losses. This applies to financial assets measured at amortized cost. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in initial recognition.

Carrying value and fair value of financial assets and liabilities are summarized as follows:

Classification	Carrying value	Fair Value
Fair value through profit and loss	$ 5,477,854	$ 5,477,854
Amortized cost (receivable)	73,361	73,361
Amortized cost (liabilities)	71,622	71,622

Fair value hierarchy:

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that prioritizes the inputs to the valuation technique used to measure fair value as per IFRS 7. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company has valued all of its financial instruments using Level 1 measurements.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term investments, highly liquid investments that are readily convertible into known amounts or cash and which are subject to an insignificant risk of changes in value.

Investments

Investments in associates over which the Company exercises significant influence are accounted for using the equity method. Investments under which the Company cannot exert significant influence are recorded initially at cost and adjusted to reflect changes in the fair value in subsequent periods. For mining and other investments classified as available for sale, any subsequent changes in the fair value are recorded in other comprehensive earnings. If in the opinion of management there has been a decline in value of the investment below the carrying value that is considered to be other than temporary, the valuation adjustment is recorded in net earnings in the period of determination. The fair value of the investments is based on the quoted market price on the closing date of the period.

Investments in Joint Ventures

Entities whose economic activities are controlled jointly by the Company and other ventures independent of the Company (joint ventures) are accounted for using the proportionate consolidation method, whereby the Company's share of the assets, liabilities, income and expenses is included line by line in the consolidated financial statements.

Unrealized gains and losses on transactions between the Company and its joint ventures are eliminated to the extent of the Company’s interest in those entities. Where unrealized losses are eliminated, the underlying asset is also tested for impairment.

Amounts reported in the financial statements of jointly controlled entities have been adjusted where necessary to ensure consistency with the accounting policies of the Company.

Exploration and Evaluation Assets

Exploration and evaluation assets include the costs associated with exploration and evaluation activity (e.g. geological, geophysical studies, exploratory drilling and sampling), and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. The Company follows the practice of capitalizing all costs related to the acquisition of, exploration for and evaluation of mineral claims and crediting all revenue received against the cost of related claims. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the income statement. Any recovery or proceeds related to a particular mineral property in excess of the capitalized costs in exploration and evaluation assets attributed to that mineral property is recognized in income or loss in that period.

Capitalized costs, including general and administrative costs, are only allocated to the extent that these costs can be related directly to operational activities in the relevant area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The aggregate costs related to abandoned mineral claims are charged to operations at the time or any abandonment or when it has been determined that there is evidence of a permanent impairment.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to the that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Restoration, Rehabilitation and Environmental Obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either an unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses. The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

Property and Equipment

Purchased property and equipment are carried at acquisition cost less subsequent depreciation and impairment losses. Depreciation is recognized on a declining balance basis to write down the cost or valuation less estimated residual value of property and equipment. The periods generally applicable are:

Computer Equipment	30-55%
Computer Software	100%
Furniture and Equipment	20%
Exploration Camps	30%
Automotive	30%
Leaseholds	5 years

Material residual value estimates and estimates of useful life are updated as required, but at least annually, whether or not the asset is revalued.

Gains or losses arising on the disposal of property and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within “other income” or “other expenses.”

Impairment of non-financial assets

At each financial position reporting date the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair values less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value to their present value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less that its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash generating units to which the exploration activity relates. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Revenue Recognition

Operator fees on mineral properties are earned based on an agreed upon percentage of development expenses incurred on specific properties. Recognition of all revenue is subject to the provision that ultimate collection is reasonably assured at the time of recognition.

Interest

Interest income and expenses are reported on an accrual basis using the effective interest method.

Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in joint ventures is not provided if the reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it provides a valuation allowance against the excess.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority

Changes in deferred tax assets or liabilities are recognized as a component of taxable income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Foreign Currency Translation

Accounts of foreign operations are translated as follows:

(i) Monetary assets and liabilities are translated at the rate of exchange in effect at the balance sheet date;
(ii) Long-term investments carried at fair market value are translated at the rate of exchange in effect at the balance sheet date;
(iii) Non-monetary assets and liabilities, and equity are translated at historical rates; and
(iv) Revenue and expense items are translated at the rate of exchange prevailing at the time of the transaction or at average exchange rates during the period as appropriate.

Gains and losses on re-measurement to the functional currency are included in the results of operations for the period.

Share-based payment transactions

The Company operates equity-settled share-based remuneration plans for its employees, directors and consultants. None of the Company's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognized as an expense in profit or loss with a corresponding credit to 'reserves'.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods if share options ultimately exercised are different to that estimated on vesting.
Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

Flow-Through Financing

The Company raises equity through the issuance of flow-through shares. Under this arrangement, shares are issued which transfer the tax deductibility of mineral property exploration expenditures to investors. The Company allocates the proceeds from the issuance of these shares between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the shares and the amount the investor pays for the shares. A deferred flow through premium liability is recognized for the difference. The liability is reversed when the expenditures are made and is recorded in the statement of loss and comprehensive loss. The spending also gives rise to a deferred tax timing difference between the carrying value and tax value of the qualifying expenditure.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a maximum period.

Segment reporting

An operating segment is a component of an entity (i) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (ii) whose operating results are regularly reviewed by the entity's management, and (iii) for which discrete financial information is available. The Company has one reportable operating segment being the acquisition, exploration and development of mineral properties.

Operating Expenses

Operating expenses are recognized in profit and loss upon utilization of the services or at the date of their origin.

Significant accounting judgments and estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the date of the statement of financial position that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i. the recoverability of amounts receivable and prepayments which are included in the statement of financial position;

ii. the carrying amount and recoverability of exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after costs are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available;

iii. the estimated useful lives of property and equipment which are included in the statement of financial position and the related depreciation included in the statement of comprehensive income (loss) for the year ended June 30, 2019;

iv. the inputs used in accounting for share-based payment expense in the statement of comprehensive loss; and

v. the provision for income taxes which is included in the statements of comprehensive income (loss) and composition of deferred income tax assets and liabilities included in the statements of financial position at June 30, 2019.

Critical accounting judgments

The following accounting policies involve judgments or assessments made by management:

- The determination of categories of financial assets and financial liabilities;
- The determination of a cash-generating unit for assessing and testing impairment;
- The allocation of exploration costs to cash-generating units; and
- The determination of when an exploration and evaluation asset moves from the exploration stage to the development stage.

Earnings (loss) Per Share

Earnings (loss) per share is calculated on the basis of weighted average number of shares outstanding during the year. Diluted earnings per share are computed using the treasury stock method whereby the weighted average shares outstanding are increased to include additional shares from the exercise of warrants and stock options, if dilutive. For warrants and stock options, the number of additional common shares is calculated by assuming that outstanding warrants and stock options were exercised and that the proceeds from such exercises were used to acquire shares of common stock at the average market price during the reporting period.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance expense (“notional interest”).

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic benefits will be required, the provision is reversed. The Company presently does not have any amounts considered to be provisions.

3. NEW AND FUTURE ACCOUNTING PRONOUNCEMENTS:

The following standards are effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted. The Company has not early adopted these standards and is currently assessing the impact they will have on the financial statements.

Leases (IFRS 16), Leases was issued by the IASB in January 2016 and is effective for accounting periods beginning on or after 1 January 2019. The new standard will replace IAS 17 ‘Leases’ and will eliminate the classification of leases as either operating leases or finance leases and, instead, introduce a single lessee accounting model. The Standard provides a single lessee accounting model, specifying how leases are recognised, measured, presented and disclosed. The Company intends to adopt IFRS 16 in its financial statements for the annual period beginning on July 1, 2019.

4. TEMPORARY INVESTMENTS:

	June 30, 2019 $	June 30, 2018 $
Money Market Mutual funds	2,624,717	918,701
US Treasury note	356,149	116,871
Province of Ontario US denominated bonds	137,530	-
	3,118,396	1,035,572

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 $6,339 USD (June 30, 2018 - $270,426 USD) translated at the USD/CDN conversion rate at June 30, 2019 of $1.3084 (June 30, 2018 - $1.2956).

The United States Treasury Note is fully liquid, is due August 15, 2026 and pays interest at a rate of 1.5% per annum in semi-annual coupons. The market value of the note at June 30, 2019 is $272,202 USD (June 30, 2018 – 90,206 USD) translated at the USD/CDN conversion rate at June 30, 2019 of $1.3084.

The Province of Ontario US denominated bonds are fully liquid and due May 16, 2024 and pay interest at 3.2% per annum in semi-annual coupons. The market value of the bonds at June 30, 2019 is $105,115 USD translated at the USD/CDN conversion rate at June 30, 2019 of $1.3084.

5. LONG-TERM INVESTMENTS:

	June 30, 2019		June 30, 2018	
	Market $	Cost $	Market $	Cost $
Canadian Equities				
Organimax Nutrient Corp. (i)	8,467	183,737	93,980	183,737
Quadro Resources Ltd. (ii)	105,000	447,000	200,000	440,000
Other	123,726	1,108,205	137,474	1,227,386
Subtotal	237,193	1,738,942	431,454	1,851,123
Australian Equities				
Matador Mining Ltd. (iii)	2,056,000	2,340,000	-	-
Other	600	2,979	2,520	2,979
Subtotal (CAD)	2,056,600	2,342,979	2,520	2,979
Total (CAD)	2,293,793	4,081,921	433,974	1,854,102

(i) The 169,333 common shares of Organimax Nutrient Corp. ("Organimax") (formerly Alset Minerals Corp.) are listed on the TSX Venture Exchange under the symbol "KMAX" and are valued at the June 30, 2019 closing price of $0.05 per share (June 30, 2018 - $0.185). During the year ended June 30, 2018, the Company realized a gain of $32,500 in connection with the disposal of 1,654,680 shares of Organimax pre-share consolidation (1 for 3) for net proceeds of $161,726.

(ii) The 4.2 million common shares of Quadro Resources Ltd. ("Quadro") are listed on the TSX Venture Exchange under the symbol "QRO" and are valued at the June 30, 2019 closing price of $0.025 per share (June 30, 2018 - $0.05). The Quadro shares were received pursuant to the Company's disposition of its 50% interest in the Staghorn gold project in Newfoundland (see note 7(d)(iii)).

(iii) The 8 million ordinary shares of Matador Mining Ltd. ("Matador") were received during the year ended June 30, 2019 pursuant to the disposition in fiscal 2018 of the Cape Ray properties. The Matador shares are valued at the June 30, 2019 closing price of $0.28 AUD translated at the AUD to CAD exchange rate prevailing at the end of the period of $0.9177. Subsequent to June 30, 2019, the Company disposed its 8 million shares of Matador for gross proceeds of $1,803,195.

6. PROPERTY AND EQUIPMENT:

	June 30, 2019			June 30, 2018		
	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Computer Equipment	$ 68,557	$ 63,622	$ 4,935	$ 62,958	$ 61,103	$ 1,855
Furniture and Equipment	143,109	100,378	42,731	129,008	91,458	37,550
Computer Software	115,971	115,971	-	115,971	115,971	-
Exploration Camps	220,532	211,842	8,690	220,532	208,117	12,415
Automotive	20,576	20,576	-	26,575	23,358	3,217
Leaseholds	36,640	22,211	14,429	36,640	14,883	21,757
Total	$ 605,385	$ 534,600	$ 70,785	$ 591,684	$ 514,890	$ 76,794

7. 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 years ended June 30, 2019 and 2018 are summarized in the tables below:

For the year ended June 30, 2019

		Saganaga/Q9 (a)	Bedivere (c)	Panama Lake (d)	Other (e)	Total
June 30, 2018 Acquisition Costs	$	-	208,355	4,610	59,198	272,163
Additions		-	48,500	17,381	18,683	84,564
Write-downs/Recoveries/Disposals **(f)**		-	-	-	(73,036)	(73,036)
Subtotal	$	-	48,500	17,381	(54,353)	11,528
June 30, 2019 - Acquisition Costs	$	**-**	**256,855**	**21,991**	**4,845**	**283,691**
June 30, 2018 - Exploration and Evaluation Expenditures	$	1,018	1,093,728	5,736	190,157	1,290,639
Assaying		1,036	72	19,786	10,800	31,694
Prospecting		5,430	117	34,814	11,409	51,770
Geological		-	-	3,869	-	3,869
Geophysical		-	3,983	103,988	7,658	115,629
Line Cutting		-	-	-	-	-
Trenching		-	3,275	-	44,704	47,979
Diamond Drilling		-	5,204	356,827	80,809	442,840
Miscellaneous		2,631	3,827	16,761	17,928	41,147
Write-downs/Recoveries/Disposals **(e)**		-	(100,000)	-	(285,615)	(385,615)
Subtotal	$	9,097	(83,522)	536,045	(112,307)	349,313
June 30, 2019 - Exploration and Evaluation Expenditures	$	**10,115**	**1,010,206**	**541,781**	**77,850**	**1,639,952**
June 30, 2019 - Total	$	**10,115**	**1,267,061**	**563,772**	**82,695**	**1,923,643**

For the year ended June 30, 2018

		Saganaga/Q9 (a)	Cape Ray (b)	Bedivere (c)	Panama Lake (d)	Other (e)	Total
June 30, 2017 - Acquisition Costs	$	-	836,412	89,914	4,610	144,170	1,075,106
Additions		-	21,435	118,441	-	79,043	218,919
Write-downs/Recoveries/Disposals **(f)**		-	(857,847)	-	-	(164,015)	(1,021,862)
Subtotal	$	-	(836,412)	118,441	-	(84,972)	802,943
June 30, 2018 - Acquisition Costs	$	**-**	**-**	**208,355**	**4,610**	**59,198**	**272,163**
June 30, 2017 - Exploration and Evaluation Expenditures	$	-	1,406,990	272,345	5,736	725,447	2,410,518
Assaying		-	6,567	21,673	-	4,579	32,819
Prospecting		-	53,090	14,829	-	43,811	111,730
Geological		-	15,177	4,067	-	-	19,244
Geophysical		-	5,506	57,108	-	57,315	119,929
Line Cutting		-	-	28,469	-	-	28,469
Trenching		-	-	8,055	-	-	8,055
Diamond Drilling		-	30,680	677,489	-	15,554	723,723
Metallurgy		-	4,597	-	-	-	4,597
Resource Modeling		-	1,924	-	-	-	1,924
NI 43-101 Reporting		-	481	-	-	20	501
Environmental		-	481	-	-	-	481
Miscellaneous		1,018	5,463	9,693	-	6,458	22,632
Write-downs/Recoveries/Disposals **(f)**		-	(1,530,956)	-	-	(663,027)	(2,193,983)
Subtotal	$	1,018	(1,406,990)	821,383	-	(535,290)	(1,119,879)
June 30, 2018 - Exploration and Evaluation Expenditures	$	**1,018**	**-**	**1,903,728**	**5,736**	**190,157**	**1,290,639**
June 30, 2018 - Total	$	**1,018**	**-**	**1,302,083**	**10,346**	**249,355**	**1,562,802**

(a) **Saganaga Lake/Q9 Property**

The Saganaga Lake/Q9 Property consists of mining rights for 100% in 27 multi-cell mining claims 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 Saganaga Lake 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 common 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) **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% NSR 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% NSR 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% NSR 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 year ended June 30, 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.

Nordmin had the option to earn up to 50% of the Project by completing a series of work commitments and project milestones. 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 have formed a 80% Benton and 20% Nordmin joint venture and operatorship of the project has returned 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.

Matador Mining Limited

During the year ended June 30, 2018, the Company announced that it signed a binding term sheet with Matador Mining Limited ("Matador") of Western Australia for the sale of Benton's 80% interest in the four main Cape Ray Deposits (held in an 80%-Benton 20%-Nordmin Engineering Limited joint venture as described above) as well as a 100% interest in its remaining land positions held in the Cape Ray mining belt, which includes the Isle aux Morts and Big Pond deposits, for a cash payment of AUD $3.25 million (AUD = Australian dollars) and 8,000,000 common shares of Matador based on an underlying value of AUD $0.25/share (the "Consideration Shares") for a total consideration of AUD $5.25 million. The Company also received 833,333 options exercisable at a price of AUD $0.30 a share for a period of 2 years following the date of issuance.

Under the terms contained within the binding term sheet, Matador must:

- obtain shareholder approval for the issuance of the 8 million Consideration Shares;
- obtain shareholder approval to issue shares in order to complete a capital raise in the amount of not less than AUD $5 million at AUD $0.25 per share;
- obtain regulatory approval from the Australian Securities Exchange for the terms of the binding term sheet; and
- pay to Benton the AUD $3.25 million in cash and issue 8 million Consideration Shares of Matador as well as the 833,333 options.

Matador completed the above conditions during the year ended June 30, 2018 and the Cape Ray mineral licenses were transferred accordingly. Accounts receivable for the cash and share proceeds due on the disposition was accrued at June 30, 2018. The cash and share proceeds were received in the fiscal 2019 period. The gain on disposition was recorded in the year ended June 30, 2018. The Consideration Shares received were recorded at the June 30, 2018 closing price of AUD $0.30.

In addition, Benton retains a 1% NSR on the 100% owned Cape Ray mineral licenses, more specifically those licenses acquired by Matador from Benton that contain no other underlying NSRs. Matador has the right to buy back 50% of this NSR by paying Benton AUD $1 million. Matador assumed all other underlying NSR obligations associated with the 04/41/51/Windowglass Hill/Big Pond/Isle aux Morts deposit claim packages.

(c) **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, 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 common shares over a four-year period initially (amended to seven years) on the following schedule, which was amended during the current period and such amendments are reflected below:

- $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 (paid and issued);
- $35,000 and 300,000 Company common shares on October 31, 2018; (as amended, paid and issued)
- $50,000 and 300,000 Company common shares on October 31, 2019;
- $65,000 and 400,000 Company common shares on October 31, 2020;
- $80,000 and 500,000 Company common shares on October 31, 2021, and
- $90,000 and 600,000 Company common shares on October 31, 2022.

The Company was also required to expend $100,000 on exploration on or before October 31, 2018 (previously completed) and a total of $500,000 in exploration expenditures, inclusive of the $100,000 referred to above, on or before October 31, 2022. The Company also agreed to issue to Traxxin a further 500,000 common shares upon a NI 43-101-compliant resource report being produced for the property.

The Property will be subject to a 3% NSR royalty in favour of Traxxin of which 1% NSR can be purchased by Benton at the Company's election for $1 million. 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.

(d) **Panama Lake**

The 100%-owned Panama Lake gold project is located in the Red Lake mining district, 55km northeast of the town of Ear Falls and is accessible by road. The project was acquired by staking and consists of 365 claim cells covering 7,446 hectares. See Subsequent Events note 18.

(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) 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.

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.

(ii) 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 56 claim units held by Teck.

(iii) Staghorn Option

During Fiscal 2015, the Company executed an option agreement (the "Agreement") with Metals Creek Resources Corp. ("MEK") whereby the Company could 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") whereby Quadro has 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 (completed), settle outstanding debts and payables, complete no less than a $1 million financing and issue 4,000,000 common shares of Quadro (post-consolidation) to each of Benton and Metals Creek (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 common shares and 225,000 Metals Creek common 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% NSR 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% NSR 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% NSR 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.

(iv) 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 five years (the "First Option") ($30,000 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.

(v) 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 has 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 common shares (received) of Sokoman upon signing, acceptance and approval by the TSX Venture Exchange (accepted and approved);
- Issuing 500,000 common shares to Benton on the first anniversary of the option agreement (received);
- Issuing 500,000 common shares to Benton on second anniversary of the option agreement; (received)
- 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 the licence in good standing throughout the option period and if the property is returned to Benton, it is to be returned in good standing with at least 6 months;

- Paying Benton $100,000 in cash, common shares or a combination of cash and shares upon completion of a NI 43-101 compliant mineral resource;
- Paying Benton $200,000 in cash, common shares or a combination of cash and shares upon completion of a pre-feasibility study; and
- Paying Benton $300,000 in cash, common shares or a combination of cash and shares upon completion of a final/full/bankable feasibility.

(vi) 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 has 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% NSR 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 return these claims to the Company in good standing for at least six months; and
- Paying Benton $500,000 in cash, common shares of White Metal 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.

(vii) 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 acquired 100% interest by paying Benton $10,000 cash (received) and 200,000 ordinary shares (received). Ardiden has since allowed the project to lapse and the Company has reacquired the claims via staking.

(viii) Providence

During the year ended June 30, 2018, the Company executed a binding letter of intent ("LOI") with Matador Capital Pty Ltd. ("Matador Capital"), a private Australian-based company, whereby Matador Capital has acquired the right to acquire a 100% interest in Benton's Providence Copper-Nickel-PGM project (the "Providence Option") located in the Northwest Territories. Under the terms of the LOI, Benton has granted to Matador Capital the exclusive right (the "Exclusivity Period") to negotiate the terms of the transaction, enter into a definitive agreement and/or exercise the Option during the 30 day period following execution of the LOI in consideration for the payment of AUD $10,000 within 10 days of signing the LOI (received). The Exclusivity Period will be extended for the following periods at Matador Capital's election provided they pay the following amounts to Benton:

- For a further five (5) months by paying Benton AUD $90,000 within 30 days of executing the LOI (received);
- For a further two (2) months by paying an additional AUD $100,000 within six (6) months of executing the LOI (not exercised).

During the year ended June 30, 2019, The Company amended its LOI with Matador Capital and completed the sale of the Providence project for a one-time final cash payment of AUD $30,000 (in addition to the AUD $100,000 previously paid to the Company) which was received in the current year. Matador Capital will assign the LOI to AGR Resources Pty Ltd. ("AGR"), an affiliate of Matador Capital. AGR assumed responsibility for the underlying NSRs and granted an additional 1% NSR in favour of Benton of which 0.5% NSR can be purchased by AGR for AUD $500,000.

(ix) Bolton Bay

During the year ended June 30, 2018, the Company signed a Letter of Intent ("LOI") to acquire the Bolton Bay gold project located 120 km west of Thunder Bay and is adjacent to the east boundary of Benton's Bark Lake project which is currently under option to Rio Tinto Exploration Canada Inc. Benton had the option to earn a 100% interest in Bolton

Bay by making cash payments totaling $174,000 ($12,000 paid) and by issuing 425,000 common shares (50,000 issued) over a period of 5 years following the execution of the LOI. The vendor was to retain a 2% NSR which the Company can purchase 1% NSR for $1 million and retained a right of first refusal to purchase the remaining 1% NSR. The Company received regulatory approval in the current period. Due to no further plans for the project, the Company wrote-off a total of $167,543 in combined acquisition costs and deferred exploration and evaluation expenditures during the current period. The Company terminated the option on the project in the subsequent period and returned it to the vendor.

(x) Conche

The Company entered into an option agreement (the “Option”) with Quadro Resources Inc. (“Quadro”) pursuant to which Quadro has acquired the right to earn the Company’s 33.33% interest in the Conche Property (acquired during fiscal 2018 via joint staking efforts with Quadro, Metals Creek Resources Corp. and the Company) on Newfoundland’s Great Northern Peninsula. In order to exercise the Option, Quadro is required to issue 1 million Quadro common shares to the Company over an eighteen month period with 200,000 shares owed upon receipt of regulatory approval (received on September 27, 2018), a further 300,000 shares to be issued within six months of receipt of regulatory approval (March 27, 2019) and the final 500,000 shares within eighteen months of receiving regulatory approval (March 27, 2020). Upon completion of the share payments, the Company will retain a 1% NSR with Quadro having the right to purchase 50% of the NSR for $500,000. During the year ended June 30, 2019 the Company was informed by Quadro that they were terminating the option agreement and the project will revert to a 33.33% interest to each company (Benton, Metals Creek Resources and Quadro) and a joint venture is to be formed. As a result, the March 27, 2019 share payment from Quadro was not made to the Company and Quadro is no longer obligated to make the March 27, 2020 share payment to the Company.

(xi) Goodchild

During the year ended June 30, 2019, the Company entered into an asset purchase/sale agreement with Canadian Orebodies Inc. (“Canadian Orebodies”), a company listed on the TSX Venture Exchange trading under the symbol “CORE”, whereby the Company sold the southwest portion the Goodchild Lake mining property (the “Property”). The portion of the Property sold consists of 31 claim cells totaling approximately 500 hectares. As consideration for the purchase, Canadian Orebodies issued Benton 100,000 common shares in the capital stock of the Canadian Orebodies and granted Benton a 1.5% NSR. Canadian Orebodies has the option to buy-down 50% of the NSR at any time for the sum of $750,000. The purchase agreement was approved by the TSX Venture Exchange and the 100,000 shares were received in the current year.

(xii) Baril Lake

During the year ended June 30, 2019, the Company entered into an option to purchase agreement with Rio Tinto Exploration Canada Inc. (“RTEC”) whereby RTEC has the right to earn a 100% interest in the Company’s Baril Lake claims located approximately 5km west of the Company’s Bark Lake project which is currently under option to RTEC. Pursuant to the terms of the agreement, RTEC can earn 100% of the Baril project by paying the Company $200,000 ($25,000 received) over 4 years and should RTEC achieve commercial production at the project, it will pay the Company an additional $1,000,000. The Company also retains a 2% Net Smelter Royalty (NSR), half of which (1% NSR) can be purchased by RTEC for $1,000,000.

(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 years ended June 30, 2019 and 2018 were as follows:

	June 30, 2019 $	June 30, 2018 $
Write-downs:		
Cape Ray	-	19,470
Other Properties	321,355	61,128
Total	321,355	80,598
Recoveries/Dispositions:		
Cape Ray	-	2,369,333
Other Properties - Staghorn	-	676,234
Bedivere	100,000	-
Other Properties	37,296	89,680
Total	137,296	3,135,247

8. CAPITAL STOCK:

(a) Share Capital

Authorized:
Unlimited common shares without par value
One voting preference share

Issued and outstanding:
84,168,531 common shares
Nil preference shares

(b) Share Purchase Warrants

Details of share purchase warrant transactions for the years ended June 30, 2019 and 2018 is as follows:

	# of Warrants	Amount $	Wtd. Avg. Ex. Price
Balance, June 30, 2017	-	-	-
Pursuant to private placements	3,812,500	12,774	$0.25
Finders' warrants pursuant to above	157,500	528	$0.25
Balance, June 30, 2018	3,970,000	13,302	$0.25
Expired during the period	(3,970,000)	(13,302)	$0.25
Balance, June 30 ,2019	-	-	-

For purposes of valuing the warrants granted, the fair value of each warrant was estimated on the date of grant using an option pricing model, using the following assumptions; a risk-free interest rate of 1.4%, dividend yield of 0%, and an expected volatility of 108%.

Pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

(c) Stock Options

Details of stock option transactions for the years ended June 30, 2019 and 2018 are as follows:

	# of Options	Weighted Average Exercise Price
Balance, June 30, 2017	11,740,000	$0.13
Granted during the year	2,525,000	$0.10
Expired during the year	(7,800,000)	$0.15
Balance, June 30, 2018	6,465,000	$0.10
Granted during the period	2,250,000	$0.07
Expired during the period	(2,120,000)	$0.10
Balance, June 30, 2019	6,595,000	$0.09

The following table summarizes information about the options outstanding at the years ended June 30, 2019 and 2018:

Expiry Date	Exercise Price	June 30, 2019 # of Options	June 30, 2018 # of Options
January 21, 2019	$0.10	-	2,020,000
May 13, 2020	$0.10	2,020,000	2,020,000
November 7, 2022	$0.10	2,325,000	2,425,000
January 15, 2024	$0.07	1,950,000	-
March 28, 2024	$0.10	300,000	-
		6,595,000	6,465,000

(d) 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 15,254,706 common shares of which 6,595,000 are outstanding at March 31, 2019. 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.

(e) Private Placements

i) During the year ended June 30, 2018, the Company completed a non-brokered flow through private placement by issuing 3,812,500 units at a price of $0.08 per unit for aggregate proceeds of $305,000. Each unit consists of one flow-through common share and one common share purchase warrant, each warrant entitling the holder therein to purchase an additional common share of the Company for $0.25 until November 3, 2018.

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 expiring November 3, 2018.

The deferred premium on the issuance of the 3,812,500 flow-through common shares was $110,563. 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 nil for the period ended June 30, 2019 (June 30, 2018 - $110,563) resulting in a deferred premium balance of nil at June 30, 2019 (June 30, 2018 – nil) as flow-through proceeds were fully expended during the previous year.

9. RELATED PARTY TRANSACTIONS:

The Company paid or accrued the following amounts to related parties during the year ended June 30, 2019 and 2018:

Payee	Description of Relationship	Nature of Transaction	June 2019 Amount ($)	June, 2018 Amount ($)
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	29,677	22,362
Michael Stares	Director	Equipment rentals included in exploration and evaluation assets	1,840	1,000
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	-	529

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 year ended June 30, 2019, the Company paid director fees to one of its directors totaling $10,000 for services rendered on the Company's Audit Committee (June 30, 2018 - $10,000). The director is to receive $2,500 per quarter.

Included in accounts payable and accrued liabilities is $9,395 (June 30, 2018 - nil) to Gordon J. Fretwell Law Corporation (inclusive of HST). The repayment terms are similar to the repayment terms of non-related party trade payables.

During the year ended June 30, 2019, the Company invoiced White Metal Resources Corp. (related by common director Michael Stares) $20,358 (inclusive of HST) for field, technical and accounting support as well office rental and reimbursement of expenses (June 30, 2018 - $57,905).

Key management personnel remuneration during current period included $375,505 (June 30, 2018 - $525,799) in salaries and benefits and $28,714 (June 30, 2018 - $31,120) in share-based payments. The Company paid $nil (June 30-2018 - $72,000) in a retiring allowance under the terms of a severance agreement with a retiring key management member.

10. 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.

11. INCOME TAXES:

(a) Provision for Current Income Taxes

The provision for (recovery of) income taxes differs from the amount that would have resulted by applying the combined Canadian federal and provincial statutory tax rates of 26.5% (June 30, 2018 – 26.5%).

	June 30, 2019 $	June 30, 2018 $
Net income (loss) before taxes	(1,330,133)	1,962,785
Income tax expense reconciliation		
Expected income tax expense (recovery) calculated using statutory rates	(352,485)	520,138
Tax effect of the following items:		
Non-deductible share-based payments	19,580	18,930
Tax effect of gain on sale of Exploration and evaluation assets	-	230,093
Non-deductible expenses and other items	(14,196)	(17,599)
CEE claimed	-	(67,655)
Non-deductible write-down of mineral properties	85,159	21,358
Adjustment to fair value for fair value through profit and loss investments	123,648	6,327
CCA deducted	(5,283)	(5,747)
Expected income tax expense (recovery) calculated for tax purposes	(143,577)	705,845
Non-capital loss carry forwards applied	-	(705,845)
Valuation allowance	143,577	(110,563)
Income tax expense (recovery)	-	(110,563)
Income tax expense (recovery) consists of:		
Current income taxes	-	-
Deferred income taxes (flow-through)	-	(110,563)
	-	(110,563)

(b) Deferred Tax Balances

The tax effect of temporary differences that give rise to deferred income tax assets and deferred income tax liabilities at the combined Canadian federal and provincial statutory tax rates are as follows:

	June 30, 2019 $	June 30, 2018 $
Deferred tax assets (liabilities) – long term		
Non-capital losses	143,577	-
Capital losses	420,760	417,539
Property and equipment	719	(3,018)
Investments	236,927	188,167
Deferred development expenditures	1,495,726	1,414,795
Valuation Allowance	(2,297,709)	(2,017,483)
Net deferred income tax liability	-	-

(c) Additional Income Tax Information

The Company has non-capital losses of $541,802 available to reduce taxable income in future years as well as capital losses in the amount of $3,175,548 available for carryforward. The benefit of the losses has not been recognized in these financial statements. The capital losses can be used against future capital gains with no expiry. The non-capital losses will expire in 2039 if unused.

In addition to the above, the Company has available $5,872,080 in cumulative Canadian exploration expenses, $1,151,656 in cumulative Canadian development expenses and $544,157 in foreign exploration and development expenses available for deduction against taxable income in future periods.

12. SHARE-BASED PAYMENTS:

The Company applies the fair value method of accounting for share-based payments to directors, officers, employees and consultants and accordingly $73,886 is recorded as share-based payments in profit and loss and under reserves in shareholders' equity as equity settled benefits for the 1,983,053 options that vested during the year. The fair value of the options vesting below during the year ended June 30, 2019 was estimated on the grant date using the Black-Scholes option pricing model with the following assumptions:

Grant Date	# of Options Vested	Exercise Price	Expiry Date	Fair Value of Option	Dividend Yield	Volatility	Risk-free Interest Rate	Expected Life
November 7, 2017	535,442	$0.10	November 7, 2022	$0.037	0%	116%	1.59%	5 yrs
January 15, 2019	1,302,069	$0.07	January 15, 2024	$0.038	0%	109%	1.91%	5 yrs
March 28, 2019	145,542	$0.10	March 28, 2024	$0.035	0%	109%	1.46%	5 yrs
	1,983,053							

13. CAPITAL DISCLOSURES:

The Company's objectives when managing capital are as follows:

- To safeguard the Company's ability to continue as a going concern;
- To raise sufficient capital to finance its exploration and development activities on its mineral exploration properties;
- To raise sufficient capital to meet its general and administrative expenditures.

The Company manages its capital structure and makes adjustments to it based on the general economic conditions, its short term working capital requirements, and its planned exploration and development program expenditure requirement. The capital structure of the Company is composed of working capital and shareholders' equity. The Company may manage its capital by issuing flow through or common shares, or by obtaining additional financing.

The Company utilizes annual capital and operating expenditure budgets to facilitate the management of its capital requirement. These budgets are approved by management and updated for changes in the budgets underlying assumptions as necessary.

There were no changes in the Company's approach to managing capital during the year.

In order to maintain or adjust the capital structure, the Company considers the following;

i) incremental investment and acquisition opportunities;
ii) equity and debt capital available from capital markets;
iii) equity and debt credit that may be obtainable from the marketplace as a result of growth in mineral reserves;
iv) availability of other sources of debt with different characteristics than the existing bank debt;
v) the sale of assets;
vi) limiting the size of the investment program; and
vii) new share issuances if available on favorable terms.

Except as otherwise disclosed, the Company is not subject to any external financial covenants at June 30, 2018.

14. FINANCIAL RISK MANAGEMENT:

The Company's financial instruments are exposed to certain risks, including credit risk, interest rate risk, liquidity risk, currency risk and market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Company to credit risk consist of cash, temporary investments, accounts and other receivables and refundable security deposits. The Company's cash is held through a large Canadian Financial Institution. The temporary investments are held through major Canadian Financial Institutions with only the highest credit quality as determined by rating agencies. The temporary investments are available for cash requirement purposes at the request of the Company. Refundable security deposits are held by the Government of Newfoundland. The Company has no significant concentration of credit risk arising from operations. Management believes the risk of loss to be remote.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. While management feels the risk of capital loss on its temporary investments is remote given its investment in only highly rated, investment grade fixed income securities with reputable Canadian financial institutions, the income derived from these securities can fluctuate as a result of changes in interest rates upon reinvestment of matured funds. The Company's temporary investments are purchased at fixed interest rates and are either fully liquid or bear short term staggered maturity dates to mitigate the risk of fluctuating interest rates. At June 30, 2019 a 1% change in yields on the Company's short term investments would result in an approximate $31,000 (June 30, 2018 - $10,350) change in interest income per annum.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company monitors and reviews current and future cash requirements and matches the maturity profile of financial assets and liabilities. This is generally accomplished by ensuring that cash and temporary investments are always available to settle financial liabilities. At June 30, 2019, the Company had cash on hand of $65,665 (June 30, 2018- $180,264) and temporary investments available to the Company of $3,118,396 (June 30, 2018– $1,035,572) to settle current liabilities of $71,622 (June 30, 2018 - $44,954). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(d) Currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company's operations are in Canada; therefore, management believes the foreign exchange risk derived from any currency conversions is negligible and therefore does not hedge its foreign exchange risk.

(e) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and is comprised of currency risk, interest rate risk, and equity price risk. The fair value of the ,Company's long term investments are impacted by changes in the quoted market price of the underlying issuer's securities with the resulting change impacting net income.

15. SUPPLEMENTAL CASH FLOW INFORMATION:

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

	June 30, 2019 $	June 30, 2018 $
Accounts and other receivables	3,017,744	(3,058,974)
Prepaid expenses	4,716	12,151
Refundable deposits	36,495	(30,476)
Accounts payable and accrued liabilities	26,668	6,251
Total	3,085,623	(3,071,048)

The following transactions did not result in cash flows and have been excluded from operating, financing and investing activities:

	June 30, 2019 $	June 30, 2018 $
Non-cash operating activities		
Settlement of accounts and other receivables in debtor shares	2,340,000	-
Gain on disposal of mineral property	-	(2,362,979)
Non-cash financing activities		
Common shares issued for mineral property option	13,500	36,000
Non-cash investing activities		
Common shares received for mineral property disposal	(116,000)	
Mineral property option financed through common share issuance	(13,500)	(36,000)
Proceeds of mineral property disposal for common shares	116,000	
Shares received/receivable on disposal of mineral property	-	2,362,979
Shares received on settlement of accounts and other receivables	(2,340,000)	-

16. REFUNDABLE DEPOSITS:

Refundable security deposits of $111,996 (June 30, 2018 - $148,491) 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.

17. COMMITMENTS:

The Company has commitments as described in note 7 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 terminated 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. During the year ended June 30, 2019, the Company exercised its right to an extension for an additional two year period effective June 1, 2019 paid in monthly installments of $3,859 plus HST, which includes base rent and prescribed additional rents as per the agreement with annual adjustments to additional rents based on actual costs

During the year ended June 30, 2019, the Company leased a truck from Toyota Financial Services commencing on December 11, 2018 for a term of 40 months and terminating on April 11, 2022. The lease is paid in monthly installments of $510 plus HST. The lease contains a Lease End Purchase Option that will allow the Company to purchase the truck at the end of the lease for $25,766 plus HST and any applicable fees.

During the year ended June 30, 2019, the Company engaged CHF Capital Markets ("CHF") for investment community outreach, corporate communications, branding and social & digital marketing is for a fixed term of twelve months ending February 28, 2020. Thereafter, the contract may be extended month to month with a two months cancellation notice. Under the terms of the agreement, CHF will receive $6,250 per month in fees and reimbursement of approved expenses and a share option consisting of 100,000 shares exercisable at 0.10 cents for a period of 5 years, expiring March 28, 2024.

18. SUBSEQUENT EVENTS:

The following events occurred subsequent to June 30, 2019:

- The Company executed separate binding purchase agreements with Rio Tinto Exploration Canada Inc. ('RTEC') (the 'RTEC Agreement') and Panoramic Resources Limited ('PAN') (the 'PAN Agreement') (together the "PGM Project").

  Pursuant to the RTEC Agreement, Benton will purchase a 100% interest in RTEC's Escape Lake property for C$6 million (the "Escape Lake Purchase Price"), subject to obtaining financing and receipt of regulatory approval. The Company is to obtain commitments for C$4 million of the Escape Lake Purchase Price within 90 days of execution of the RTEC Agreement and closing of the acquisition and payment off the C$6 million Escape Lake Purchase Price is to take place within 10 days of securing financing. RTEC will retain a 1% Net Smelter Royalty ('NSR') on the Escape Lake portion of the PGM Project.

  Under the PAN Agreement, the Company will acquire PAN's wholly-owned Canadian subsidiary, Panoramic PGMs Canada Ltd., which holds the Thunder Bay North Project (the 'TBN Project') for C$9 million. The Company will have 60 days upon signing to complete a final purchase and sale agreement plus an additional 60 days to obtain financing and receive all requisite regulatory approvals for the transaction. Upon signing the final purchase and sale agreement, Benton will pay PAN a $250,000 deposit which will be offset against the purchase price. The TBN Project has an existing 3% NSR on a number of claims located within the claims package.

  The Company renegotiated the payment terms ("Amending Agreement") with PAN in the subsequent period as follows:

  - $4.5 million on the completion of the definitive PAN Agreement;
  - $1.5 million on the first anniversary of the completion of the PAN Agreement;
  - $1.5 million on the second anniversary of the completion of the PAN Agreement; and
  - $1.5 million on the third anniversary of the PAN Agreement.

The Company will pledge security for the three deferred payments by providing a first registered security over the TBN PGM Project and the shares of Panoramic PGMs Canada Ltd to PAN. Both parties will complete and sign a definitive agreement within 30 days of the date of the Amending Agreement. If the definitive agreement is not signed within 30 days of the date of the Amending Agreement, the Amending Agreement will terminate. Panoramic can extend the 30-day period at its discretion. An agreement was reached in the subsequent period between Panoramic and the Company to extend the terms an additional 30 days to November 3, 2019. All other terms of the PAN Agreement remain unchanged.

Closing of the purchase of the PGM Project is also contingent upon both RTEC and PAN releasing each other from all future obligations from the earn-in with option to joint venture agreement that is currently in place.

- The Company sold 8.0 million shares of Matador Mining Ltd. for gross proceeds of CDN$1.803 million resulting in a loss on disposition of approximately $250,000. It is the Company's intention to use the proceeds to help finance the purchase of Rio Tinto's Escape Lake Deposit and Panoramic's Thunder Bay North Deposit (see above). Benton continues to hold 800,000 warrants of Matador with a strike price of AUD$0.30.

- The Company signed a binding letter of intent ("BLOI") with Maxtech Ventures Inc. ("MVT") in which MVT will have the option to earn a 100% interest in The Company's 100%-owned Panama gold project (the "Project") in the Red Lake Mining district, Ontario. Pursuant to the terms of the BLOI, Maxtech will have a 30-day due diligence period and, subject to regulatory approval, will commit to the following: Issue 2,000,000 Maxtech common shares to the Company upon completion of due diligence review at an underlying price of $0.05 per share; Pay the Company $100,000 in cash or share equivalent on the first anniversary, based upon a 10-day VWAP at the time of the payment and complete $200,000 in exploration expenditures on the property; Pay the Company $100,000 in cash or share equivalent on the second anniversary, based upon a 10-day VWAP at the time of the payment and complete an additional $250,000 in exploration expenditures on the property at which point a 50% ownership interest will vest to MVT; Pay the Company $100,000 in cash or share equivalent on the third anniversary, based upon a 10-day VWAP at the time of the payment and complete an additional $250,000 in exploration expenditures on the property at which point a 70% ownership interest will vest to MVT; and Pay the Company $300,000 in cash or share equivalent on the fourth anniversary, based upon a 10-day VWAP at the time of the payment and complete an additional $300,000 in exploration expenditures on the property at which point a 100% ownership interest will vest to MVT. The Company will retain a 2% NSR on the Project with MVT having the option to buy back 1% for $1 million in cash. In addition, MVT will issue to The Company an additional 1 million MVT common shares upon completion of its initial resource estimate as defined in the BLOI.