

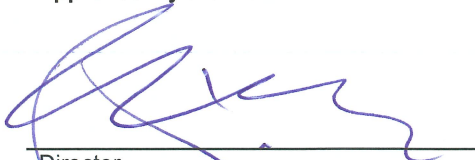
Geoscience BC
Interim Statement of Financial Position
As at December 31, 2018
(Unaudited - internally-prepared)

Exhibit 'A'


	\$	March 31, 2018 \$ (audited)
Assets		
<i>Current assets:</i>		
Cash and cash equivalents	527,624	277,661
Investments (Note 2)	14,627,245	16,705,788
Accrued interest receivable	27,537	48,755
Amounts receivable	113,914	448,450
Prepaid expenses and deposits	130,266	193,274
	15,426,586	17,673,928
Capital assets	35,384	30,666
	15,461,970	17,704,594
Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	134,697	276,828
Deferred revenue	1,535,591	4,024,616
	1,670,288	4,301,444
Members' Equity		
Net assets restricted for approved programs (Note 3)	6,136,828	4,744,182
Unrestricted net assets (Exhibit 'B', Note 4)	7,654,854	8,658,968
	13,791,682	13,403,150
	15,461,970	17,704,594
Basis of presentation (Note 1)		
Subsequent events (Note 6)		

Refer also to accompanying notes - Exhibit 'C'

Approved By the Board:



 Director



 Director

Geoscience BC
Interim Operations Statement
For the nine months ended December 31, 2018
(Unaudited - internally-prepared)

Exhibit 'B'

	For the three months ended Dec 31, 2018		For the three months ended Dec 31, 2017		For the nine months ended Dec 31, 2018		For the nine months ended Dec 31, 2017	
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Revenues:</i>								
Grants - Provincial Government		650,532		1,510,126		2,489,025		4,125,723
Investment income		(56,221)		388,635		279,677		387,587
Grants - other, and program reimbursements		93,246		-		108,854		37,071
Other		-		2,764		-		2,765
		<u>687,557</u>		<u>1,901,525</u>		<u>2,877,556</u>		<u>4,553,146</u>
<i>Expenditures:</i>								
<u>Program, including non-refundable portion of GST:</u>								
Program costs incurred (Note 5)	144,731		999,916		1,031,305		2,890,575	
Program management *	154,419		160,823		458,057		363,510	
Scholarship awards	-		-		50,000		35,000	
GIS server implementation and maintenance	226		196		11,264		12,201	
Publishing costs	37,762		31,514		40,217		31,883	
		<u>(337,138)</u>		<u>(1,192,449)</u>		<u>(1,590,843)</u>		<u>(3,333,169)</u>
<u>Administration:</u>								
Accounting, legal, insurance	30,201		24,017		90,629		83,725	
Amortization of capital assets	3,091		8,203		16,285		24,319	
Consulting	23,895		23,800		38,255		37,079	
Dues/Memberships	3,534		3,608		14,436		10,195	
External Relations (formerly Communications & Marketing)	16,804		15,855		63,275		33,509	
Investment management fees	9,728		17,008		42,859		46,475	
IT (formerly Computer maintenance, internet and email)	5,280		4,033		21,656		20,553	
Meeting expenses	4,188		2,012		8,209		4,077	
Non-refundable GST/HST	4,369		4,966		13,078		11,648	
Office/miscellaneous	7,892		7,014		20,463		13,988	
Photocopier	3,442		2,893		6,895		4,521	
Recruitment	5,000		20,919		7,488		27,299	
Rent and utilities	44,372		43,004		130,776		124,710	
Salaries and Benefits *	117,816		106,031		304,325		277,363	
Sponsorships	-		4,200		25,800		9,675	
Telephone	2,492		2,677		6,648		6,682	
Travel & Conferences/Conventions	31,289		27,437		87,104		56,736	
		<u>(313,393)</u>		<u>(317,677)</u>		<u>(898,181)</u>		<u>(792,554)</u>
Income earned in excess of expenditures		<u>37,026</u>		<u>391,399</u>		<u>388,532</u>		<u>427,423</u>
Net increase in unexpended funding commitments during the period		<u>(1,805,886)</u>		<u>541,104</u>		<u>(1,392,646)</u>		<u>(1,181,947)</u>
Balance, unrestricted net assets, beginning of period		9,423,714		5,726,593		8,658,968		7,413,620
Balance, unrestricted net assets, end of period		<u>7,654,854</u>		<u>6,659,096</u>		<u>7,654,854</u> **		<u>6,659,096</u>

(**to Exhibit 'A', refer also to Note 4)

* Program management represents the portion of staff salaries and benefits allocated to programs rather than administrative spending.

Refer also to accompanying notes - Exhibit 'C'

1. Basis of presentation - lack of independence

These financial statements have been internally-prepared by Geoscience BC and have not been audited or reviewed by an independent public accountant. These statements are designed for the internal use of Geoscience BC members only and are not necessarily presented in a manner consistent with generally accepted accounting principles.

2. Investments

	31-Dec-18 Market value \$	31-Mar-18 Market value \$
BMO High Interest Savings account	6,824,293	65,618
2.15% GIC, Bank of Montreal, due May 9, 2019, annual	1,000,000	-
1.45% GIC, Bank of Montreal, due April 8, 2019, annual	1,000,000	1,000,000
1.15% GIC, Bank of Montreal, due May 7, 2018, annual	-	1,000,000
1.20% GIC, Bank of Montreal, due April 6, 2018, annual	-	2,000,000
	<u>8,824,293</u>	<u>4,065,618</u>
Connor, Clark and Lunn aggregate portfolio, at market value	5,802,952	12,640,170
	<u>14,627,245</u>	<u>16,705,788</u>

Geoscience BC considers these to be 'available for sale' securities and hence they are required to be carried at current market values. The Connor, Clark and Lunn value is net of investment management fees of \$42,859, year to date, and included in the Statement of Operations as an expense.

3. Funding Commitments

Geoscience BC had approved the following undisbursed funding at December 31, 2018:

Minerals:

TREK: Consultants, logistics	38,195
TREK: Geochemistry, Geophysics, Geothermal remainder	41,232
TREK: Geology & Integration	338,200
Project 2010-002: Porphyry Integration Project (funding formerly related to QUEST)	41,337
Project 2014-015: Mineralogical Characteristics of Porphyry Fertile Plutons (Bouzarji/Hart, MDRU)	66,015
Project 2016-004: Geological mapping, compilation and mineral evaluation, Boundary District, southern BC	21,048
Project 2016-013: An Exploration Framework for Porphyry to Epithermal Transitions in the Toadoggonne (MDRU)	74,190
Project 2016-025: Application of Genomics in Mineral Exploration (MDRU-Winterburn)	63,815
Project 2016-029: Pilot project for georeferencing and data capture of NI 43-101 (Purple Rock)	6,970
Project 2016-032: Assessing BC Porphyry Fertility using Zircons (MDRU)	109,794
Project 2016-038: Search Multiple Scale Value Added Mapping Project (MDRU)	83,476
Project 2016-068: Mine reclamation project - Soil Amendments in Mine Closure (TRU)	25,000
Project 2016-069: Mine reclamation project - Biodiversity in Ecosystem Reclamation (TRU)	25,000
Project 2017-009: Metamorphic, structural, thermochronological evolution of E Kootenay metallogenic province	13,384
Project 2017-013: Producing Clean Coal using the Water-based Roben Jig-Refining the Process	30,419
Project 2018-016: Advanced analysis of the QUEST South stream sediment geochemical data, BC	40,000
Project 2018-018: Mineralogical Data, the Next Generation of BC RGS Database Upgrades (Noble)	147,270
Project 2018-028: Soil-gas detection of bedrock mineralization and geological faults beneath thick glacial deposits	60,511
Project 2018-034: Producing Clean Coal using the Water-based Roben Jig Process-Application to Industrial Setting (CCR)	82,835
Project 2018-053: Central Interior Copper-Gold Research (CIGR, aka "Big Gap") Regional Project	125,000
Project 2018-054: East Kootenay Regional Project - scoping study	75,000
Project 2018-055: Northern Vancouver Island Regional Project	1,050,000
Project 2018-056: Golden Triangle Regional Project - geophysical compilation	500,000
Total Minerals Project Commitments:	<u>3,058,691</u>

Oil & Gas:

NE BC Induced Seismicity Monitoring Program - extension	347,983
Project 2013-001: Quantification of the Gas and Liquids in Place and Flow Characteristics (Bustin, UBC)	45,000
Project 2015-013: BC Natural Gas Atlas (UVic)	167,216
Project 2015-031: Monitoring & Risk Assessment of Anomalous Induced Seismicity (Bustins)	315,000
Project 2016-062: Amplification of Seismic Ground Motion Hazard Mapping	60,446
Project 2016-065: GHGMap Project	571,529
Project 2017-014: Hydrogen sulphide in unconventional reservoir rocks (Bustin, UBC)	180,000
Total Oil & Gas Project Commitments:	<u>1,687,174</u>

Geothermal:

Project 2018-003: Clarke Lake Demonstration Project Development (Associated Engineering)	62,895
Project 2018-004: Garibaldi Geothermal Volcanic Belt Assessment Project	499,073
Total Geothermal Project Commitments:	<u>561,968</u>

Water:

Project 2013-003: Long Term Water Availability in the Horn River Basin (HRBPG)	33,000
Project 2015-030: MIKH: CMIC Partnership seed funding	5,381
PEACE Region Airborne Groundwater Mapping Project	40,614
Project 2016-043: Assessment of Fugitive Natural Gas on Near-Surface Groundwater Quality	50,000
Project 2017-002: Peace Regional Groundwater Monitoring Network	650,000
Project 2018-057 - BC/AK Transboundary Water Quality Monitoring (formerly 2016-066)	50,000
Total Water Project Commitments:	<u>828,995</u>

Restricted Funding commitments at December 31, 2018 - unspent

6,136,828

These funds remain on hand at December 31, 2018 but are now considered to be internally-restricted from the perspective of Geoscience BC. Refer to Notes 5 and 6.

4. Summarized net unrestricted assets from inception:

BC government grants received	71,800,000
Investment income earned plus recoveries and other income	8,573,594
Direct partner funding	7,761,150
Administrative expenses incurred	(15,374,274)
Net program expenditures - actual and commitments	<u>(63,570,025)</u>
	9,190,445
Deferred revenue - remainder of BC government grants to be expended	(1,535,591)
Unrestricted net assets, December 31, 2018	<u><u>7,654,854</u></u>

5. Program funding expended in the nine months ended December 31, 2018, including non-refundable portion of GST:

Minerals:

TREK: Consultants, logistics	41
TREK - Geochemistry	5,000
Project 2016-001: Merging Geological, Seismic Reflection (Salt Spring Imaging, Ltd.)	24,933
Project 2016-006: Detrital Gold (U. of Leeds)	12,450
Project 2016-019: TREK: Adding value to till and lake sediment geochemical data	24,105
Project 2016-025: Application of Genomics in Mineral Exploration (MDRU-Winterburn)	42,543
Project 2016-028: CSA Global integrated assessment of regional stream sediment geochemistry, north	33,477
Project 2016-029: Pilot project for georeferencing and data capture of NI 43-101 (Purple Rock)	4,673
Project 2016-068: Mine reclamation project - Soil Amendments in Mine Closure (TRU)	25,000
Project 2016-069: Mine reclamation project - Biodiversity in Ecosystem Reclamation (TRU)	25,000
Project 2017-009: East Kootenay metallogenic province	8,923
SEARCH Phase III	2,642
Total Minerals Project Expenditures:	<u><u>208,787</u></u>

Oil & Gas:

NE BC Induced Seismicity Monitoring Program	102,108
Project 2015-013: BC Natural Gas Atlas (UVic)	75,000
Project 2015-021: New Resource Oil Plays (PRCL, Trican and Taurus)	173,750
Project 2017-014: Hydrogen sulphide in unconventional reservoir rocks (Bustin, UBC)	180,000
Project 2016-065: GHGMap Project	89,955
Total Oil & Gas Project Expenditures:	<u><u>620,813</u></u>

Geothermal:

Project 2015-001: Dynamic Geothermal Reservoir Modeling in the Clarke Lake Gas Field (Alberta Innov)	9,514
Project 2016-047: Techno-Economic assessment of Geothermal Energy Resources	4,000
Project 2018-003: Clarke Lake Demonstration Project Development (Associated Engineering)	37,105
Project 2018-004: Garibaldi Geothermal Volcanic Belt	927
Total Geothermal Project Expenditures:	<u><u>51,546</u></u>

Water:

Project 2015-030: MIKH: CMIC Partnership seed funding	1,559
Project 2017-002: Peace Regional Groundwater Monitoring Network	130,000
Peace Project	18,600
Total Water Project Expenditures:	<u><u>150,159</u></u>

Program funding expended in the nine months ended December 31, 2018

1,031,305

6. Subsequent events

Between January 1st and February 28th, 2018 Geoscience BC disbursed an aggregate of \$944,894 in previously-approved program spending, and restricted a further \$202,704 for Project 2018-038, which was previously approved in principle subject to rephrasing or rescoping of the proposal to the satisfaction of senior management.