



This Supplemental News Report is published as required, is part of the annual MERGENT INDUSTRIAL and INTERNATIONAL Manuals and will be included in the bound April 2018 Monthly News Reports and is published on our Website.

## NORTHERN VERTEX MINING CORP

Company Website: [www.northernvertex.com](http://www.northernvertex.com)

**History:** Incorporated in Canada under the Business Corporations Act of British Columbia on June 7, 2007.

**Business Summary:** Northern Vertex Capital is an exploration and development stage mining company engaged in the identification, acquisition, exploration and development of gold, silver and other mineral properties located in the United States. Co.'s primary focus is the exploration, development, financing and construction of a five-year life heap-leach gold and silver recovery operation on its 100% owned Moss Project, located in Mohave County Arizona. The Moss Project comprises a total area of 4,030.8 hectares of mining claims and leases and its target mineralization is contained within a central area of 15 patented lode claims over 102.8 hectares.

**Property:** Co. maintains its head office in Vancouver, British Columbia. As of June 30, 2017, Co. had a 100% interest in the Moss Project, located in Mohave County Arizona. The Moss Project comprises a total area of 4,030.8 hectares of mining claims and leases and the target mineralization is contained within a central area of 15 patented lode claims over 102.8 hectares. Co. also has a lease and option on its Silver Creek Property, a non-material property, on which it has been conducting ground-level exploration to evaluate various exploration targets on the property.

### Subsidiaries

Golden Vertex Corp. (United States)  
Golden Vertex Idaho (United States)

### Officers

Christopher Park, CPA, CGA, Chief Financial Officer; Corporate Secretary  
Kenneth E. Berry, President; Chief Executive Officer

### Directors

Kenneth E. Berry, Director  
Joseph Bardswich, Director  
David Farrell, Director  
James M. McDonald, P.Geo., Director  
Gordon D. Ulrich, P.Eng., Director

**Auditors:** MNP LLP

**Annual Meeting:** In December

**Shareholder Relations:** Christopher Curran, Shareholder Relations Contact **Tel:** 604-601-5657

**No. of Stockholders:** Apr. 13, 2018, 402

**No. of Employees:** Apr. 13, 2018, 90

**Address:** Suite 182 - 1055 West Hastings St., Vancouver, British Columbia V6E 2E9, Canada

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**Web:** [www.northernvertex.com](http://www.northernvertex.com)

**Email:** [info@northernvertex.com](mailto:info@northernvertex.com)

**Consolidated Income Statement, Years Ended Jun. 30 (Can\$):**

	2017	2016 (revised)	2015 (revised)
Depreciation expense	(13,698)	(255,900)	(58,341)

Management fees	(165,231)	(120,000)	(60,000)
Marketing expenses	(664,834)	(220,193)	...
Office expenses	(190,483)	(218,174)	...
Professional fees	(764,900)	(1,465,551)	(218,077)
Property taxes	...	(23,821)	...
Rent	(42,698)	(44,961)	(43,355)
Salaries, wages & severance	(1,015,377)	(1,097,788)	...
Share-based payments	(795,373)	(115,381)	(223,999)
Site security	...	(66,779)	...
Transfer agent & filing fees	(38,617)	(41,975)	(38,266)
Marketing & community relations	...	...	(46,884)
Office & miscellaneous	...	...	(209,669)
Property fees	...	...	(147,609)
Salaries, wages, benefits & subcontractor expenses	...	...	(696,673)
Tax recovery from gold & silver sales	...	...	33,592
Travel, meetings & conferences	...	...	(71,047)
Travel expenses	(147,491)	(89,105)	...
Income (loss) before other expenses	(3,838,702)	(3,759,628)	(1,780,328)
Foreign exchange loss (gain)	(504,223)	3,706	5,545,653
Interest on long term debt	(1,039,063)	...	...
Fair value gain on gold call options	290,233	...	...
Interest income	80,536	12,930	...
Finance income (costs)	(668,294)	12,930	...
Loss on disposal of fixed assets	...	...	(6,200)
Interest & other income	...	...	38,736
Deferred sales proceeds	...	...	11,393
Net income (loss) before taxes	(5,011,219)	(3,749,192)	...
Deferred income tax expense (recovery)	519,977	...	...
Net income (loss) for the year	(4,491,242)	(3,749,192)	3,815,454
Weighted average number of shares outstanding - basic	103,098,514	87,901,166	72,730,141
Weighted average number of shares outstanding -			

diluted	103,098,514	87,901,166	72,730,141
Year end shares outstanding	141,279,215	95,288,461	72,941,446
Net earnings (loss) per share - basic	Can\$(0.04)	Can\$(0.04)	Can\$0.05
Net earnings (loss) per share - diluted	Can\$(0.04)	Can\$(0.04)	Can\$0.05
Total number of employees	90	...	...
Number of common stockholders	402	...	...

Reclassified to conform with 2017 presentation; Reclassified to conform with 2016 presentation; Shares increased due to the effects of shares issued for private placement, debt interest payment, long term debt financing fees, conversion of debenture and exercise of options and warrants; Share increase due to the effect of issuance of cash and share issued for mining interest; As of April 13, 2018

### Consolidated Balance Sheet, Years Ended Jun. 30 (Can\$):

	2017	2016 (revised)
<b>Assets:</b>		
Cash	24,985,035	1,297,416
Accounts receivable	64,636	13,585
Value-added taxes receivable	17,917	11,942
Accounts receivable	82,553	25,527
Prepaid expenses & deposits	183,236	182,483
Total current assets	25,250,824	1,505,426
Restricted cash & non-current deposits	1,161,837	14,842
Equipment, cost	18,493,108	2,591,415
Less: accumulated depreciation	(1,425,529)	(1,187,501)
Property, plant & equipment	17,067,579	1,403,914
Mining interests	28,365,380	25,674,510
Deferred financing costs	12,977	35,659
Total assets	71,858,597	28,634,351
<b>Liabilities:</b>		
Trade accounts payable	1,706,199	367,800
Accrued liabilities	2,001,909	326,459
Current portion of long term debt	720,944	...
Convertible debenture subscriptions received in advance	...	150,000
Total current liabilities	4,429,052	844,259
Senior secured credit facility, net of issue costs	11,270,247	...
Convertible debentures	5,037,622	...
Current portion of long term debt	(720,944)	...
Long term debt	15,586,925	...
Gold call options	543,560	...

Provision for reclamation & remediation .....	2,078,876	1,055,130
Total liabilities .....	22,638,413	1,899,389
Common shares .....	40,571,513	23,045,440
Share capital .....	40,571,513	23,045,440
Subscriptions received in advance .....	2,381,600	...
Share option reserve .....	5,812,653	5,034,817
Warrant reserve .....	20,103,160	15,249,235
Equity component of convertible debentures .....	1,479,734	...
Accumulated other comprehensive income (loss) .....	(1,751,068)	(1,708,364)
Retained earnings (deficit) .....	(19,377,408)	(14,886,166)
Total equity .....	49,220,184	26,734,962
Total liabilities & equity .....	71,858,597	28,634,351

☐ Reclassified to conform with 2017 presentation

#### Auditor's Report:

The following is an excerpt from the Report of the Independent Auditors, MNP LLP, as it appeared in Co.'s 2017 Annual Report: "Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Northern Vertex Mining Corp. as at June 30, 2017 and 2016, and the results of their financial performance and their cash flows for the years then ended, in accordance with International Financial Reporting Standards.

#### Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 of these consolidated financial statements, which states that Northern Vertex Mining Corp. incurred significant losses from operations, negative cash flows from operating activities and has an accumulated deficit. This, along with other matters described in

Note 1, indicates the existence of a material uncertainty which may cast significant doubt about the ability of Northern Vertex Mining Corp. to continue as a going concern."

**Long Term Debt:** June 30, 2017, C\$16,307,869 (including current portion of C\$720,944) comprised of:

(1) C\$11,270,247 senior secured credit facility, bearing interest at 8.00% plus the greater of twelve month USD LIBOR or 1.25%, due in Nov. 2019

(2) C\$5,037,622 secured convertible debentures, bearing interest at 5.00%, due on May 31, 2021.

**Capital Stock: 1. Northern Vertex Mining Corp common; no par.**

OUTSTANDING–June 30, 2017, 141,279,215 shs; no par.

WARRANTS–Warrants 38,246,845..

OPTIONS–June 30, 2017, outstanding, 8,505,000.

PRIMARY EXCHANGE–Venture Exchange (TVX): NEE.

SECONDARY EXCHANGES–National Bulletin Board (NBB): NHVC F.

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