



For the Three Months Ended September 30, 2018

Condensed Interim Financial Statements

(Expressed in Canadian Dollars)

(Unaudited-Prepared by Management)

- Notice of No Auditor Review of Consolidated Financial Statements
- Interim Statements of Financial Position
- Interim Statements of Comprehensive Loss
- Interim Statements of Changes in Equity
- Interim Statements of Cash Flows
- Notes to the Financial Statements

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of Ximen Mining Corp. for the period ended September 30, 2018 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of consolidated interim financial statements by an entity's auditor.

Ximen Mining Corp.

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollar)

(Unaudited)

	Note	September 30, 2018 \$	June 30, 2018 \$
ASSETS			
CURRENT			
Cash		5,848	22,988
GST Recoverable		45,869	53,002
Option Payments and Exploration Advances Receivable	7	197,539	171,051
Marketable Securities	4	291,351	67,871
		<u>540,607</u>	<u>314,912</u>
NON-CURRENT			
Reclamation Bonds	5	52,500	52,500
Property and Equipment	6	23,408	24,640
		<u>616,515</u>	<u>392,052</u>
LIABILITIES			
CURRENT			
Accounts Payable and Accrued Liabilities		442,576	218,523
Due to Related Parties	9(a)	5,027	2,700
		<u>447,603</u>	<u>221,223</u>
SHAREHOLDERS' DEFICIENCY			
Share Capital	8	16,941,165	16,941,165
Share Subscription Advance		2,500	2,500
Share-Based Payment Reserve		800,918	800,918
Deficit		(17,575,671)	(17,573,754)
		<u>168,912</u>	<u>170,829</u>
		<u>616,515</u>	<u>392,052</u>

Nature of Operations and Ability to Continue as a Going Concern (Note 1)
Commitment (Note 11)

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

Approved on Behalf of the Board:

"Chris Anderson"

Chris Anderson, Director

"Scott Kent"

Scott Kent, Director

Ximen Mining Corp.

Condensed Interim Statements of Changes in Equity

(Expressed in Canadian Dollar)

(Unaudited)

	Note	Number of Common Shares	Share Capital \$	Equity Component of Convertible Debentures \$	Subscription Received \$	Shared- Based Payment Reserve \$	Deficit \$	Total Shareholders' Equity (Deficiency) \$
Balance, June 30, 2017		17,243,288	16,111,136	-	-	763,900	(16,665,962)	209,074
Shares Issued for Exploration and Evaluation Assets	8(b)(i)	280,000	56,000	-	-	-	-	56,000
Net Comprehensive Loss		-	-	-	-	-	(120,475)	(120,475)
Balance, September 30, 2017		17,523,288	16,167,136	-	-	763,900	(16,786,437)	144,599
Balance, June 30, 2018		23,138,187	16,941,165	-	2,500	800,918	(17,573,754)	170,829
Net Comprehensive Loss		-	-	-	-	-	(1,917)	(1,917)
Balance, September 30, 2018		23,138,187	16,941,165	-	2,500	800,918	(17,575,671)	168,912

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

Ximen Mining Corp.

Condensed Interim Statements of Comprehensive Loss

(Expressed in Canadian Dollar)

(Unaudited)

	Note	Three Months Ended September 30,	
		2018	2017
		\$	\$
EXPENSES			
Audit and Legal		8,192	7,000
Advertising and Marketing		16,001	17,083
Bank Charges and Interest		4,226	29
Consulting		-	22,750
Depreciation	6	1,232	1,540
Exploration	7	282,812	288,292
Management	9(b)	70,000	70,000
Office and Administration		28,965	29,976
Rent		9,000	9,000
Regulatory Fees and Transfer Agent		1,768	2,201
Travel and Accommodations		15,808	6,949
LOSS BEFORE OTHER ITEMS		(438,004)	(454,820)
Mineral Exploration Property Recovery	7	426,488	400,000
Loss on Sale of Marketable Securities		(78,034)	(9,280)
Write (Down) Up of Marketable Securities to Market Value	4	87,633	(56,375)
NET COMPREHENSIVE LOSS FOR THE PERIOD		(1,917)	(120,475)
BASIC AND DILUTED LOSS PER SHARE		(0.00)	(0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		23,138,187	17,298,521

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

Ximen Mining Corp.

Condensed Interim Statements of Cash Flows

(Expressed in Canadian Dollar)

(Unaudited)

	Three Months Ended September 30,	
	2018	2017
	\$	\$
CASH PROVIDED FROM (UTILIZED FOR):		
OPERATING ACTIVITIES		
Net Loss for the Period	(1,917)	(120,475)
Non-Cash Items		
Depreciation	1,232	1,540
Shares Issued for Exploration and Evaluation Assets	-	56,000
Mineral Exploration Property Recovery	(250,000)	(150,000)
Loss on Sale of Marketable Securities	78,034	9,280
Write-Down (Up) of Marketable Securities to Market	(87,633)	56,375
	<u>(260,284)</u>	<u>(147,280)</u>
Change in Non-Cash Working Capital Accounts		
GST/HST Recoverable	(26,488)	2,379
Prepaid Expenses	-	13,750
Option Payment and Exploration Advances Receivable	7,133	-
Accounts Payables and Accrued Liabilities	224,053	(777)
Due to/from Related Parties	2,327	(25,846)
	<u>(53,259)</u>	<u>(157,774)</u>
INVESTING ACTIVITY		
Proceeds from Sale of Marketable Securities, Net of Trading Account Advance	146,200	98,220
Purchase of Marketable Securities	(110,081)	-
Purchase of Exploration Equipment	-	(20,000)
	<u>36,119</u>	<u>78,220</u>
INCREASE (DECREASE) IN CASH	(17,140)	(79,554)
Cash, Beginning of the Period	<u>22,988</u>	<u>202,846</u>
CASH, END OF THE PERIOD	<u>5,848</u>	<u>123,292</u>

Supplementary Cash Flow Information (Note 10)

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

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 1 – NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Ximen Mining Corp. (the “Company”) was incorporated under the Business Corporations Act in British Columbia on December 4, 2006, as Everett Resources Ltd. and changed its name to Elm Tree Minerals Inc. on March 19, 2012. On September 4, 2013, the Company changed its name to Ximen Mining Corp. In addition, on July 4, 2013, the Company consolidated its share capital, options and warrants on a five (old) to one (new) basis. On January 8, 2018, the Company consolidated its share capital, options, and warrants at a ratio of five old common shares to one new common share. These financial statements reflect the retroactive application of both share consolidations.

The Company is currently engaged in the acquisition, exploration, and evaluation of its mineral property interests located in British Columbia. The Company’s shares are listed on the TSX Venture Exchange under the symbol XIM, on the Frankfurt Exchange under the symbol A1W2EG, and on the US OTCQB, under the symbol XXMMF. The head office, principal address, and registered office is located at 888 Dunsmuir Street, Suite 888, Vancouver, British Columbia, Canada.

These financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Accordingly, it does not give effect to adjustments that, if any, would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in the financial statements. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve future profitable operations.

As at September 30, 2018, the Company has an accumulated deficit of \$17,575,671 and working capital of \$93,004. The Company’s ability to continue operations is dependent upon the financial support from its shareholders and other related parties, its ability to obtain additional financing, the existence of economically recoverable reserves, and the attainment of profitable operations or sufficient proceeds from disposition of the properties. The outcome of these matters cannot be predicted at this time. While management has been successful in obtaining sufficient funding for its operating, capital, development, and exploration requirements from the inception of the Company to date, there is no assurance that additional future funding will be available to the Company or on terms that are acceptable to management.

The Company is in the process of exploring and developing its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves, and upon future production or proceeds from the disposition thereof.

The current cash resources are not adequate to pay the Company’s accounts payable and to meet its minimum commitments at the date of these financial statements, including planned corporate and administrative expenses, and other project implementation costs; accordingly, there is significant doubt about the Company’s ability to continue as a going concern. These financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

The interim financial statements have been prepared in accordance to IAS 34 *Interim Financial Reporting* using accounting policies consistent with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value.

These unaudited financial statements were approved and authorized for issue by the board of Directors on November 27, 2018.

b) Basis of Preparation

These interim financial statements do not include all the information required for full annual financial statements. The interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended June 30, 2018. The accounting policies, methods of computation and presentation applied in these financial statements are consistent with those of the previous financial year.

NOTE 3 – ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new accounting standards, amendments to standards, and interpretations have been issued but not yet effective up the date of issuance of the Company’s financial statements. The Company intends to adopt the following standards when they becomes effective.

a) IFRS 9 – Financial Instruments

IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets as defined in IAS 39. The standard was initially effective for annual period beginning on or after January 1, 2013, but amendments to IFRS 9 Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date to January 1, 2018. The Company has not yet determined the impact of this standard on its financial statements.

b) IFRS 16 – Leases

IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting remains largely unchanged from IAS 17 “Leases”, and the distinction between operating and finance leases is retained. The standard is effective for annual period beginning on or after January 1, 2019.

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 4 – MARKETABLE SECURITIES.

Marketable securities consist of a portfolio of investments held for trading. The fair value of the marketable securities has been determined directly by reference to public price quotations in an active market. These marketable securities are comprised of common shares of publicly-traded companies, and are classified as fair value through profit or loss and measured at fair value with unrealized gains and losses recognized through the statement of operations.

	September 30, 2018 \$	June 30, 2018 \$
Opening Balance	67,871	220,000
Marketable Securities Purchased (at Cost)	110,082	73,405
Marketable Securities Received from Property Option Sales	250,000	200,000
Marketable Securities Sold (at Cost)	(293,521)	(237,101)
Write-(Down) Up Marketable Securities to Market Value	87,633	(119,147)
	<u>222,065</u>	<u>137,157</u>
Add opening advance from the Trading Account	69,286	(69,286)
	<u>291,351</u>	<u>67,871</u>

NOTE 5 – RECLAMATION BONDS

The Company posts non-interest bearing reclamation bonds against any potential land restoration costs that may be incurred in the future on its mineral properties. The funds are held in trust and may be released after required reclamation is satisfactorily completed.

As at September 30, 2018, the amount on deposit was \$52,500 (June 30, 2018 – \$52,500) with respect to the Brett Property (\$31,000), Gold Drop Property (\$16,500), and Treasure Mountain Property (\$5,000).

NOTE 6 – PROPERTY AND EQUIPMENT

	Computer \$	Mining Equipment \$	Office Furniture \$	Total \$
COST				
Balance, June 30, 2017	5,217	12,000	4,000	21,217
Additions	-	20,000	-	20,000
	<u>5,217</u>	<u>32,000</u>	<u>4,000</u>	<u>41,217</u>
Balance, September 30, 2017	5,217	32,000	4,000	41,217
Balance, June 30, 2018	5,217	32,000	4,000	41,217
Additions	-	-	-	-
	<u>5,217</u>	<u>32,000</u>	<u>4,000</u>	<u>41,217</u>

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

ACCUMULATED DEPRECIATION

Balance, June 30, 2017	5,217	1,200	4,000	10,417
Depreciation	-	1,540	-	1,540
Balance, September 30, 2017	5,217	2,740	4,000	11,957
Balance, June 30, 2018	5,217	7,360	4,000	16,577
Depreciation	-	1,232	-	1,232
Balance, September 30, 2018	5,217	8,592	4,000	17,809
NET BOOK VALUE				
Balance, September 30, 2017	-	29,260	-	29,260
Balance, September 30, 2018	-	23,408	-	23,408

NOTE 7 – EXPLORATION AND EVALUATION ASSETS

Cumulative acquisition and exploration costs incurred by the Company to September 30, 2018 on its mineral properties are summarized below.

	Brett \$	Bouleau \$	Gold Drop \$	Dentonia \$	Providence \$	Treasure Mountain \$	General Exploration \$	Total \$
Balance, June 30, 2017	4,219,148	665,071	929,038	51,000	-	367,557	152,982	6,384,796
Acquisition Costs	-	-	-	-	56,000	-	-	56,000
Exploration Costs	1,379	-	228,178	-	-	2,735	-	232,292
Exploration Advance	-	-	(250,000)	-	-	-	-	(250,000)
Option payments received	-	-	(150,000)	-	-	-	-	(150,000)
	1,379	-	(171,822)	-	56,000	2,735	-	(111,708)
Balance, September 30, 2017	4,220,527	645,071	757,216	51,000	56,000	370,292	152,982	6,253,088
Balance, June 30, 2018	4,576,711	665,071	637,468	51,000	57,223	241,612	152,982	6,382,067
Acquisition Costs	-	-	-	-	-	-	-	-
Exploration Costs	3,650	-	72,661	-	-	202,436	4,065	282,812
Exploration Advance	-	-	-	-	-	(176,488)	-	(176,488)
Option payments received	-	-	(250,000)	-	-	-	-	(250,000)
	3,650	-	(177,339)	-	-	25,948	4,065	(143,676)
Balance, September 30, 2018	4,580,361	665,071	460,129	51,000	57,223	267,560	157,047	6,238,391

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 7 – EXPLORATION AND EVALUATION ASSETS (Continued)

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing. All properties are located in Canada.

a) Brett Property, British Columbia, Canada

On December 3, 2013, the Company entered into an option agreement to acquire a 100% interest in the Brett Gold Project situated in the North Okanagan region of southwest British Columbia approximately 29 kilometers west of Vernon. Under the terms of the agreement, the Company may acquire a 100% undivided interest by making cash option payments totalling \$1,000,000, issuing 1,000,000 common shares, and issuing additional common shares of the Company with an aggregate deemed value of \$350,000 as follows:

		Number of Shares	Cash \$
On execution of agreement	(Paid)	-	50,000
By December 18, 2013	(Paid)	-	50,000
By December 23, 2013	(Issued – fair valued at \$290,000)	200,000	-
By January 17, 2014	(Paid)	-	200,000
By January 05, 2015	(Paid)	-	300,000
By January 05, 2015	(Issued – fair valued at \$126,000)	140,000	-
By December 03, 2015	(Paid)	-	400,000
By December 03, 2015	(Issued – fair valued at \$166,667)	666,667	-
		<u>1,006,667</u>	<u>1,000,000</u>

The Company has earned a 100% undivided interest as it has complied with all the terms of the option agreement

On January 24, 2014, the Company entered into an option agreement to acquire a 100% interest in the 2% net smelter royalty (“NSR”) on the Brett Gold Project. The agreement was amended on February 14, 2017 and May 17, 2017 under the following amended terms: the issuance of \$50,000 worth of the Company’s common shares based on a ten day weighted average upon signing of the amended agreement, the issuance of \$420,000 worth of the Company’s common shares upon TSX approval of the amended agreement, the payment or issuance of \$60,000 in cash or common shares of the Company on February 18, 2018 and \$75,000 on February 18, 2019, and final cash payment of \$830,000 payable by February 20, 2020:

		Number of Shares	Cash \$
By February 20, 2014	(Issued – fair valued at \$30,000)	20,000	-
By February 20, 2015	(Issued – fair valued at \$49,077)	51,660	-
By February 20, 2016	(Issued – fair valued at \$67,739)	225,800	-
By February 18, 2017	(Issued – fair valued at \$56,601)	125,780	-
Upon TSX Approval	(Issued – fair valued at \$210,000)	1,200,000	-
By February 18, 2018	(Issued – fair valued at \$59,993)	352,900	-
By February 18, 2019		-	75,000
By February 20, 2020		-	830,000
		<u>1,976,140</u>	<u>905,000</u>

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 7 – EXPLORATION AND EVALUATION ASSETS (Continued)

a) Brett Property, British Columbia, Canada (Continued)

During the year ended June 30, 2018, the Company issued 1,552,900 common shares (2017 – 125,780 common shares) pursuant to the terms of the option agreements.

b) Bouleau Property, British Columbia, Canada

On July 15, 2014, the Company entered into a property option agreement to acquire a 100% interest in the Bouleau Property which is adjacent to the Company's Brett property located near Vernon, British Columbia. Under the terms of the option agreement, the Company may acquire a 100% undivided interest by making cash option payments totalling US\$250,000, and issuing additional common shares of the Company with an aggregate deemed value of \$300,000 as follows:

		Number of Shares	Cash US\$
On September 05, 2014	(Paid)	-	100,000
On September 05, 2014	(Issued – fair valued at \$102,174)	43,478	-
By March 05, 2015	(Paid)	-	50,000
By March 05, 2015	(Issued – fair valued at \$67,211)	96,015	-
By September 30, 2015	(Paid)	-	50,000
By September 30, 2015	(Issued – fair valued at \$46,260)	264,340	-
By March 05, 2016	(Paid)	-	50,000
By March 05, 2016	(Issued – fair valued at \$72,545)	241,818	-
By September 05, 2016	(Issued – fair valued at \$82,944)	107,025	-
		<u>752,677</u>	<u>\$250,000</u>

During the year ended June 30, 2017, the Company earned a 100% undivided interest by making the final share issuance payment, therefore, complying with all the terms of the option agreement

c) Gold Drop Property, British Columbia, Canada

On November 27, 2013, the Company entered into an option agreement to acquire a 100% interest in the Gold Drop Property located about 9 kilometers northeast from Greenwood, British Columbia, in the Greenwood Gold Mining district. Under the terms of the option agreement, the Company may acquire a 100% undivided interest by making cash option payments totalling \$170,000, and issuing an aggregate of 750,000 common shares as follows:

		Number of Shares	Cash \$
On November 27, 2013	(Paid)	-	25,000
On February 23, 2014	(Issued – fair valued at \$49,500, and paid)	30,000	15,000
By February 24, 2015	(Issued – fair valued at \$120,000, and paid)	50,000	60,000
By February 24, 2016	(Issued – fair valued at \$168,000, and paid)	70,000	70,000
		<u>150,000</u>	<u>170,000</u>

During the year ended June 30, 2016, the Company earned a 100% undivided interest by making the final cash payment of \$70,000, therefore, complying with all the terms of the option agreement.

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

On June 21, 2016, the Company entered into an option agreement with GGX Gold Corp. (“GGX”) (formerly Revolver Resources Inc.) to sell its 100% interest in the Gold Drop Property. GGX is required to make cash option payments totalling \$400,000, issue 1,000,000 common shares, issue additional common shares with a fair value of \$450,000, and incur a minimum of \$1,000,000 in exploration expenditures on the property as follows:

Cash Payments:

- \$50,000 on execution of the agreement (received);
- \$50,000 within five business day following the approval by TSX Venture (received); and
- \$100,000 on or before July 26, 2017 (received), July 26, 2018 (received) and July 26, 2019.

Share Payments:

- 1,000,000 common shares within five business day following the approval by TSX Venture (received); and
- Additional common shares with a fair value of \$150,000 per year on or before July 26, 2017 (received), July 26, 2018 (received), and July 26, 2019.

Exploration Expenditures:

- A minimum of \$1,000,000 on the property on or before July 26, 2019, but not less than \$150,000 per year on the property on or before July 26, 2017, July 26, 2018, and July 26, 2019.

The Company will retain a 2.5% net smelter return royalty (the “NSR Royalty”) which GGX may buy down 1% of the NSR Royalty by paying \$1,000,000 to the Company. Upon the completion of the sale of the Property, the Company will have a right for nine months thereafter to elect to form a joint venture with GGX by paying to GGX the amount of money equal to 30% of the total amount expended on the Property by GGX. If the Company exercises this joint-venture right, the Company and GGX will enter into a joint venture for the exploration and development of the Property.

The transaction was approved by TSX Venture on July 26, 2016.

GGX has a common director and officer of the Company.

d) Dentonia Property, South, British Columbia, Canada

On August 29, 2014, the Company entered into a property option agreement whereby the Company acquired a 100% interest in the Dentonia South Property, located 10 miles south of Greenwood, British Columbia, by issuing 150,000 common shares (issued – fair valued at \$51,000).

e) Providence Property, British Columbia, Canada

In August 2017, the Company entered into a property option agreement whereby the Company acquired a 100% interest in the Providence South Property, near Greenwood, British Columbia, by issuing a total of 280,000 common shares fair valued at \$53,000.

f) Treasure Mountain Property, British Columbia, Canada

In March 2014, the Company entered into an option agreement whereby the Company acquired a 100% interest in the Treasure Mountain property located 30 kilometres east of Hope, British Columbia by making cash payments as follows: \$75,000 cash upon signing of the agreement (paid) and \$50,000 cash due 90 days after the signing of the agreement (paid).

In 2014, the Company also acquired a 100% interest in three surrounding mineral claims for cash payments of \$70,000 (paid).

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

On December 7, 2016, the Company acquired a mineral tenure claim north of Treasure Mountain Property for cash payment of \$15,000 (paid) from a director of the Company. The agreement is subject to a 2% net smelter return royalty (“NSR”) payable to the vendor.

On November 30, 2016, the Company entered into an option agreement with New Destiny Mining Corp (“New Destiny”) to sell its 100% interest in all mineral claims which comprise the Treasure Mountain Property. New Destiny is required to make cash and or issue common shares totalling \$400,000, issue an aggregate of 500,000 common shares, and incur exploration expenditures on the property as follows:

Cash and Share Payments:

- \$25,000 on execution of the agreement;
- \$50,000 within five business day following the approval by TSX Venture;
- \$75,000 in cash and/or common shares equivalent (subject to a minimum of \$10,000 to be paid in cash) per year on or before the first, second, and third anniversaries of the approval by TSX Venture; and
- \$100,000 in cash and/or common shares equivalent (subject to a minimum of \$10,000 to be paid in cash) on or before the fourth anniversary of the approval by TSX Venture.

Share Payment:

- 500,000 common shares with a minimum fair value of \$50,000 within five business day following the approval by TSX Venture.

Exploration Expenditures:

- Annual minimum exploration expenditures of \$100,000, \$150,000, \$250,000, and \$250,000 on the property in each year ending on or before the first, second, third, and fourth anniversaries, respectively, of the approval by TSX Venture.

The Company will retain a 2.5% net smelter return royalty (the “NSR Royalty”) which New Destiny may buy down 1% of the NSR Royalty by paying \$1,000,000 to the Company. Upon the completion of the sale of the Property, the Company will have a right for nine months thereafter to elect to form a joint venture with New Destiny by paying to New Destiny the amount of money equal to 30% of the total amount expended on the Property by New Destiny. If the Company exercises this joint-venture right, the Company and New Destiny will enter into a joint venture for the exploration and development of the Property.

On November 9, 2017, the transaction has been approved by TSX Venture. New Destiny has a common director and officer of the Company.

NOTE 8 – SHARE CAPITAL

a) Authorized Share Capital

Unlimited common shares without par value

b) Issued and Outstanding Share Capital

On January 8, 2018, the Company consolidated its share capital, options, and warrants at a ratio of five old common shares to one new common share. These financial statements reflect the retroactive application of this share consolidation.

As at September 30, 2018, there were 23,138,187 (2017 – 17,523,288) common shares issued and outstanding.

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 8 – SHARE CAPITAL – Continued

(i) The following share issuances occurred during the period ended September 30, 2017:

- In July and August 2017, the Company issued, respectively, 1,000,000 (200,000 post consolidation) and 400,000 (80,000 post consolidation) common shares pursuant to the acquisition of the Providence Property (Note 7). The fair value recognized of, respectively, \$35,000 and \$18,000, were based on the closing quoted market price of the Company's share at the date of issuance.

(ii) There were no shares issued during the period ended September 30, 2018.

e) Stock Options

The Company has a stock option plan under which it is authorized to grant options to directors, employees, and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price, minimum price, or a discounted price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. Vesting terms are determined by the board of directors at the time of grant.

The continuity schedule of stock options for the year ended September 30, 2018 is as follows. The number of stock options and their exercise price have been retroactively adjusted to reflect the share consolidation. For the period ended September 30, 2018, 1,740,000 options were outstanding with a weighted average exercise price of \$0.44 and an average remaining life of 2.33 years.

Stock option transactions and the number of stock options outstanding are summarized as follows:

Expiry Date	Exercise Price	June 30, 2018	Granted	Exercised	Expired/ Cancelled	September 30, 2018
February 16, 2019	\$0.50	185,000	-	-	-	185,000
March 20, 2019	\$0.45	260,000	-	-	-	260,000
April 29, 2020	\$0.60	340,000	-	-	-	340,000
February 2, 2021	\$0.25	195,000	-	-	-	195,000
October 5, 2021	\$0.75	130,000	-	-	-	130,000
November 22, 2021	\$0.60	230,000	-	-	-	230,000
February 14, 2023	\$0.18	400,000	-	-	-	400,000
		1,740,000	-	-	-	1,740,000

The continuity schedule of stock options for the year ended September 30, 2017 are as follows. The number of stock options and their exercise price have been retroactively adjusted to reflect the share consolidation. For the period ended September 30, 2017, 1,430,000 options were outstanding with a weighted average exercise price of \$0.52 and an average remaining life of 2.69 years.

Expiry Date	Exercise Price	June 30, 2017	Granted	Exercised	Expired/ Cancelled	September 30, 2017
February 16, 2019	\$0.50	200,000	-	-	-	200,000
March 20, 2019	\$0.45	300,000	-	-	-	300,000
April 29, 2020	\$0.60	350,000	-	-	-	350,000
February 2, 2021	\$0.25	200,000	-	-	-	200,000
October 5, 2021	\$0.75	140,000	-	-	-	140,000
November 22, 2021	\$0.60	240,000	-	-	-	240,000
		1,430,000	-	-	-	1,430,000

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 8 – SHARE CAPITAL – Continued

d) Share Purchase Warrants

The continuity schedule of share purchase warrants for the year ended September 30, 2018 is as follows. The number of share purchase warrants and their exercise price have been retroactively adjusted to reflect the share consolidation. Total outstanding share purchase warrants as at September 30, 2018 is 11,973,166 with a weighted average exercise price of \$0.35.

Expiry Date	Exercise Price	June 30, 2018	Issued	Exercised	Expired/ Cancelled	September 30, 2018
January 4, 2019	\$0.25	3,478,126	-	-	-	3,478,126
August 27, 2019	\$0.18	2,160,000	-	-	-	2,160,000
September 10, 2019	\$0.18	1,340,000	-	-	-	1,340,000
April 20, 2020	\$0.25	230,000	-	-	-	230,000
August 15, 2021	\$0.50	852,000	-	-	-	852,000
October 24, 2021	\$1.00	924,040	-	-	-	924,040
December 30, 2021	\$0.50	200,000	-	-	-	200,000
April 11, 2022	\$0.375	940,000	-	-	-	940,000
April 13, 2022	\$0.375	1,087,000	-	-	-	1,087,000
April 20, 2022	\$0.375	200,000	-	-	-	200,000
December 13, 2022	\$0.25	562,000	-	-	-	562,000
		11,973,166	-	-	-	11,973,166

The continuity schedule of share purchase warrants for the year ended September 30, 2017 is as follows. The number of share purchase warrants and their exercise price have been retroactively adjusted to reflect the share consolidation. Total outstanding share purchase warrants as at September 30, 2017 is 7,927,434 with a weighted average exercise price of \$0.43.

Expiry Date	Exercise Price	June 30, 2017	Issued	Exercised	Expired/ Cancelled	September 30, 2017
December 7, 2018	\$0.25	16,268	-	-	-	16,268
January 4, 2019	\$0.25	3,478,126	-	-	-	3,478,126
April 20, 2020	\$0.25	230,000	-	-	-	230,000
August 15, 2021	\$0.50	852,000	-	-	-	852,000
October 24, 2021	\$1.00	924,040	-	-	-	924,040
December 30, 2021	\$0.50	200,000	-	-	-	200,000
April 11, 2022	\$0.375	940,000	-	-	-	940,000
April 13, 2022	\$0.375	1,087,000	-	-	-	1,087,000
April 20, 2022	\$0.375	200,000	-	-	-	200,000
		7,927,434	-	-	-	7,927,434

e) Agents' Warrants

The continuity schedule of agent's warrants for the year ended September 30, 2018 is as follows. The number of share agent's warrants and their exercise price have been retroactively adjusted to reflect the share consolidation. Total outstanding Agents' warrants as at September 30, 2018 is 123,000 with a weighted average exercise price of \$0.22.

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 8 – SHARE CAPITAL – Continued (Agents’ Warrants)

Expiry Date	Exercise Price	June 30, 2018	Issued	Exercised	Expired/ Cancelled	September 30, 2018
August 27, 2019	\$0.18	100,000	-	-	-	100,000
April 13, 2022	\$0.375	23,000	-	-	-	23,000
		123,000	-	-	-	123,000

The continuity schedule of agent’s warrants for the year ended September 30, 2017 is as follows. The number of agent’s warrants and their exercise price have been retroactively adjusted to reflect the share consolidation. Total outstanding Agents’ warrants as at September 30, 2017 is 23,000 with a weighted average exercise price of \$0.375.

Expiry Date	Exercise Price	June 30, 2017	Issued	Exercised	Expired/ Cancelled	September 30, 2017
April 13, 2022	\$0.375	23,000	-	-	-	23,000
		23,000	-	-	-	23,000

NOTE 9 – RELATED PARTY TRANSACTIONS

Key management includes directors (executive and non-executive) and senior management, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”). The amounts paid by the Company for the services provided by related parties have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions are in the normal course of operations. Details of transactions between the Company and related parties, in addition to those transactions disclosed elsewhere in these financial statements, are described below.

a) Amount Due From/To Related Party

Amounts due to related parties are in the normal course of business, unsecured, non-interest bearing, and have no specific terms of repayment. At the end of the period ended September 30, 2018, \$5,027 was owed to a director and officer (and a company controlled by the director) of the Company for management fees, allowances, and reimbursements of travel and other expenses.

b) Compensation of Key Management Personnel

All related party transactions were in the ordinary course of business and were measured at their exchange amount.

	September 30, 2018	September 30, 2017
	\$	\$
Management Fees	70,000	70,000
Office Administration and Support Fees	20,150	14,400
Exploration	11,918	-
	102,068	84,400

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 9 – RELATED PARTY TRANSACTIONS - Continued

- c) During the period ended September 30, 2018, the Company incurred \$90,150 (2017 – \$84,400) in management fees, allowances, and reimbursements of travel and other expenses to a director and officer (and a company controlled by the director) of the Company.
- d) During the period ended September 30, 2018, the Company incurred exploration expenses of \$11,918 (2017 - \$Nil) to a Company control by a director of the Company.

NOTE 10 – SUPPLEMENTAL CASH FLOW INFORMATION

a) Significant Non-Cash Financing Activities

	September 30, 2018 \$	September 30, 2017 \$
Shares Issued for Mineral Properties	-	56,000
	<u>-</u>	<u>56,000</u>

NOTE 11 – COMMITMENT

The Company entered into a five year agreement with its Director, President and Chief Executive Officer in December, 2016 (the “2016 Agreement”), for consulting services to the Company for consideration of \$15,000 (plus applicable taxes) plus auto and reimbursement of all traveling and direct expenses incurred.

NOTE 12 – CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration, and development of resource properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management to sustain future development of the business.

The Company manages its share capital as capital, which as at September 30, 2018, was \$16,941,165 (June 30, 2018 – \$16,941,165). Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company’s approach to capital management during the period ended September 30, 2018.

NOTE 13 – FINANCIAL INSTRUMENTS

The fair value of the Company’s loan receivable, accounts payable and accrued liabilities, convertible debentures payable, and amounts due to related parties approximate their carrying value, which is the amount recorded on the consolidated statement of financial position. The Company’s other financial instruments and cash under the fair value hierarchy are recorded at fair value based on level one quoted prices in active markets for identical assets or liabilities.

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

Ximen Mining Corp.

Notes to the Condensed Financial Statements

For the Three Months Ended September 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 13 – FINANCIAL INSTRUMENTS - Continued

a) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Management believes that its credit risk is not significant.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2018, the Company had a cash balance of \$5,848 to settle current liabilities of \$447,603. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Management expects to fund those liabilities through the issuance of capital stock and loans from related parties over the coming year.

c) 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. The Company's loans receivable and amounts due to related parties are non-interest bearing. Interest on the Company's debentures payable are based on fixed rates, and as such, the Company is not exposed to significant interest rate risk.

d) Foreign Currency Risk

The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents and accounts payable and accrued liabilities that are denominated in U.S. Dollars. The Company's financial instruments denoted in U.S. Dollars are insignificant and any fluctuation in foreign currency exchange rates would have an insignificant impact on net loss for the year.

e) Commodity Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Management closely monitors commodity prices to determine the appropriate course of actions to be taken in its investing and financing activities. As the Company has not yet developed commercial mineral interests, it is not exposed to significant commodity price risk.