



GOLDEN RIDGE RESOURCES LTD.

Unaudited Condensed Interim Financial Statements of

**GOLDEN RIDGE RESOURCES LTD.**

(An Exploration Stage Company)

**For the three months ended September 30, 2017 and 2016**



GOLDEN RIDGE RESOURCES LTD.  
(An Exploration Stage Company)  
(Expressed in Canadian Dollars)  
Three Months September 30, 2017 and 2016

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**GOLDEN RIDGE RESOURCES LTD***(An Exploration Stage Company)*

## CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (unaudited)

As at September 30, 2017 and June 30, 2017

Expressed in Canadian Dollars

	Note	September 30 2017	June 30 2017
<b>ASSETS</b>			
Current			
Cash		\$ 3,895,321	\$ 6,850
Receivables	5,12	68,967	11,730
Prepays		105,557	3,057
Available-for-sale investments	6	52,782	-
		<b>4,122,627</b>	21,637
Non Current			
Equipment	7	3,580	-
Prepaid deposit		3,057	3,057
Exploration and evaluation assets	8	1,261,938	283,874
		<b>\$ 5,391,202</b>	<b>\$ 308,568</b>
<b>LIABILITIES</b>			
Current			
Trade and other payables	9,12	\$ 940,690	\$ 65,684
Non Current			
Due to parent company	20	4,509,663	-
Total liabilities		5,450,353	-
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	10	1,756,925	1,756,925
Accumulated other comprehensive income		(2,782)	-
Accumulated deficit		(1,818,858)	(1,514,041)
		<b>(64,715)</b>	242,884
		<b>\$ 5,385,638</b>	<b>\$ 308,568</b>

Signed on behalf of the Board of Directors by:

\_\_\_\_\_  
*"Larry Nagy"*  
 Larry Nagy

Director

\_\_\_\_\_  
*"William Lindqvist"*  
 William Lindqvist

Director

The accompanying notes are an integral part of these consolidated financial statements

**GOLDEN RIDGE RESOURCES LTD**

(An Exploration Stage Company)

**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS** (unaudited)

For the three months ended September 30

Expressed in Canadian Dollars

	Note	2017	2016
<b>Expenses</b>			
Administrative and general	12	\$ 354,817	\$ 2,663
Total expenses		<b>(354,817)</b>	<b>(2,663)</b>
<b>Other income</b>			
Gain on sale of available-for-sale investments	6,8	<b>50,000</b>	-
<b>Net loss for the period</b>		<b>(304,817)</b>	<b>(2,663)</b>
<b>Other comprehensive loss</b>			
Items that may be recycled through profit and loss:			
Fair value loss on available-for-sale investments	6	<b>2,782</b>	-
<b>Loss and comprehensive loss for the period</b>		<b>(302,035)</b>	<b>(2,663)</b>
<b>Basic and diluted loss per share</b>	14	\$ <b>(0.02)</b>	\$ (0.00)

**GOLDEN RIDGE RESOURCES LTD***(An Exploration Stage Company)***CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)**

For the three months ended September 30

Expressed in Canadian Dollars

	Common Shares	Subscriptions Received	Accumulated Deficit
Balance at June 30, 2016	\$ 1,551,730	\$ -	(1,459,832)
Net loss for the period	-	-	(2,663)
Subscriptions received	10	61,121	61,121
Share issue costs	(1,873)	-	(1,873)
<b>Balance at September 30, 2016</b>	<b>\$ 1,549,857</b>	<b>\$ 61,121</b>	<b>\$ (1,403,247)</b>

	Common Shares	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
Balance at June 30, 2017	\$ 1,756,925	\$ -	(1,514,041)	\$ 242,884
Net loss for the period	-	-	(304,817)	(304,817)
Available-for-sale investment	6	(2,782)	-	(2,782)
<b>Balance at September 30, 2017</b>	<b>\$ 1,756,925</b>	<b>\$ (2,782)</b>	<b>\$ (1,818,858)</b>	<b>\$ (64,715)</b>

**GOLDEN RIDGE RESOURCES LTD***(An Exploration Stage Company)***CONDENSED INTERIM STATEMENTS OF CASH FLOWS (unaudited)**

For the three months ended September 30

Expressed in Canadian Dollars

	<b>Note</b>	<b>2017</b>	<b>2016</b>
<b>OPERATING ACTIVITIES</b>			
Net loss for the period		\$ (304,817)	\$ (2,663)
Items not affecting cash			
Gain on the sale of exploration and evaluation assets	8	(50,000)	-
Changes in non-cash working capital balances:			
Receivables	5	(57,237)	(3,939)
Deposits		-	1,280
Due to parent company	19	4,509,663	
Prepays	8	(102,500)	-
Trade and other payables		216,663	56,584
<b>Cash used in operating activities</b>		<b>4,211,772</b>	<b>51,261</b>
<b>Cash flows from investing activities</b>			
Equipment		(3,580)	-
Exploration and evaluation asset expenditures	7	(319,721)	(50,160)
<b>Total cash used in investing activities</b>		<b>(323,301)</b>	<b>(50,160)</b>
<b>Cash Flows from Financing Activities</b>			
Subscriptions received	10	-	61,121
Share issue costs		-	(1,873)
<b>Total cash inflow provided by financing activities</b>		<b>3,888,471</b>	<b>59,248</b>
<b>Decrease in cash during the period</b>		<b>3,888,471</b>	<b>60,350</b>
<b>Cash beginning of period</b>		<b>6,850</b>	<b>10,298</b>
<b>Cash end of period</b>		<b>\$ 3,895,321</b>	<b>\$ 70,648</b>

Supplemental cash flow information – Note 16

**GOLDEN RIDGE RESOURCES Ltd.**

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(Expressed in Canadian Dollars)

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**1. CORPORATION INFORMATION**

The Company was incorporated in the Province of British Columbia on December 3, 2010 under the *Business Corporations Act* of British Columbia. The Company's corporate office and principal place of business is located at 206 -3500 Carrington Road, West Kelowna, BC V4T 3C1. On October 18, 2017 the Company and 88 Capital Corp. completed the RTO transaction as described in Note 19, wherein the Company became a wholly owned subsidiary of 88 Capital Corp. Additionally 88 Capital Corp. changed its name to Golden Ridge Resources Ltd and trades on the TSX Venture Exchange under the symbol GLDN.

The Company is primarily engaged in the acquisition, exploration and development of mineral properties located in Canada. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's current properties include mineral properties located in British Columbia and the Yukon.

**2. BASIS OF PREPARATION AND GOING CONCERN**

These condensed interim financial statements for the three month period ended September 30, 2017 and 2016 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company's 2016 annual financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied by the Company in these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2017.

The condensed interim financial statements were authorized for issue by the Board of Directors on November 29, 2017.

These condensed interim financial statements have been prepared on the historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The financial statements are presented in Canadian dollars ("CDN"), which is also the Company's functional currency.

The preparation of the condensed interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

**Continued Operations**

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The accompanying notes are an integral part of these consolidated financial statements

## **GOLDEN RIDGE RESOURCES Ltd.**

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(Expressed in Canadian Dollars)

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### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Company has not generated revenues from its operations to date. The Company currently has sufficient cash resources and working capital for the next 12 months and has working capital of \$3,181,937 (June 30, 2017 - \$44,047 working capital deficiency). The Company will continue to have to raise funds beyond its current working capital balance in order to continue the development of its exploration properties and general operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company has financed its operations to date primarily through the issuance of common shares and exercise of stock options and share purchase warrants.

#### **Recent and Future Accounting Pronouncements**

The standards listed below include only those which the Company reasonably expects may be applicable to the Company at a future date. The Company is currently assessing the impact of the standards on the financial statements.

##### *IFRS 9 Financial Instruments*

IFRS 9 will replace IAS 39 *Financial Instruments: Recognition and Measurement* and IFRIC 9 *Reassessment of Embedded Derivatives*. The final version of this new standard supersedes the requirements of earlier versions of IFRS 9.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

- *Classification and measurement of financial assets:*  
Debt instruments are classified and measured on the basis of the entity's business model for managing the asset and its contractual cash flow characteristics as either: "amortized cost", "fair value through other comprehensive income", or "fair value through profit or loss" (default). Equity instruments are classified and measured as "fair value through profit or loss" unless upon initial recognition elected to be classified as "fair value through other comprehensive income".
- *Classification and measurement of financial liabilities:*  
When an entity elects to measure a financial liability at fair value, gains or losses due to changes in the entity's own credit risk is recognized in other comprehensive income (as opposed to previously profit or loss). This change may be adopted early in isolation of the remainder of IFRS 9.
- *Impairment of financial assets:*  
An expected credit loss impairment model replaced the incurred loss model and is applied to financial assets at "amortized cost" or "fair value through other comprehensive income", lease receivables, contract assets or loan commitments and financial guarantee contracts. An entity recognizes twelve-month expected credit losses if the credit risk of a financial instrument has not increased significantly since initial recognition and lifetime expected credit losses otherwise.

**GOLDEN RIDGE RESOURCES Ltd.**

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(Expressed in Canadian Dollars)

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Recent and Future Accounting Pronouncements (cont'd)**

- *Hedge accounting:*  
Hedge accounting remains a choice, however, is now available for a broader range of hedging strategies. Voluntary termination of a hedging relationship is no longer permitted. Effectiveness testing now needs to be performed prospectively only. Entities may elect to continue to applying IAS 39 hedge accounting on adoption of IFRS 9 (until the IASB has completed its separate project on the accounting for open portfolios and macro hedging).
- *Derecognition:*  
The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

This standard is applicable to annual periods beginning on or after July 1, 2018.

*IFRS 16 Leases*

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 *Leases*.

This standard is applicable to annual periods beginning on or after July 1, 2018.

Applicable to annual periods beginning on or after July 1, 2017.

- *Disclosure Initiative (Amendments to IAS 7 Statement of Cash Flows)*  
The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

**4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

**Significant Accounting Judgements, Estimates and Assumptions**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized in the period of the change, if the change affects that period only, or in the period of the change and future years, if the change affects both.

Information about critical judgments and estimates in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities included in the preparation of these financial statements are discussed below:

**GOLDEN RIDGE RESOURCES Ltd.**

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016  
(Expressed in Canadian Dollars)

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**4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)****Significant Accounting Judgements, Estimates and Assumptions (cont'd)***Going Concern*

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgement based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

*Impairment of Exploration and Evaluation Assets*

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit or group of cash-generating unit's level in the year the new information becomes available. Such impairment tests and recoverable value models have a degree of estimation and judgment which may differ in the future.

**5. RECEIVABLES**

Sales tax receivable represents input tax credits arising from sales tax levied on the supply of goods purchased or services received in Canada.

	<b>September 30 2017</b>	June 30 2017
Sales taxes receivable	\$ 65,667	\$ 8,430
Rental deposit receivable	1,280	1,280
Other - Note 11	2,020	2,020
	<b>\$ 68,967</b>	<b>\$ 11,730</b>

**6. AVAILABLE-FOR-SALE INVESTMENTS**

Available-for-sale investments consist of an investment in 5,556 Cobalt 27 Corp. shares ("Cobalt") pursuant to the grant of a net smelter return royalty (See Note 8). The fair value of the available-for-sale investments has been determined by reference to published price quotations in an active market, a Level 1 valuation. During the period ended September 30, 2017, the Company recorded \$2,782 as an unrealized gain (September 30, 2016 - \$Nil) on investment on marketable securities that was recognized in other comprehensive income and loss.

**GOLDEN RIDGE RESOURCES Ltd.***(An Exploration Stage Company)*NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016  
(Expressed in Canadian Dollars)**7. EQUIPMENT**

	Furniture & Fixtures
<b>Cost</b>	
Balance at June 30, 2016	\$ 2,843
Assets acquired	-
Balance June 30, 2017	\$ 2,843
Assets acquired	3,580
<b>Balance at September 30, 2017</b>	<b>\$ 6,423</b>
<b>Depreciation and impairment losses</b>	
Balance at June 30, 2016	\$ 2,419
Depreciation for the period	424
Balance at June 30, 2017	\$ 2,843
Depreciation for the period	-
<b>Balance at September 30, 2017</b>	<b>\$ 2,843</b>
<b>Carrying amounts</b>	
Carrying value at June 30, 2017	\$ -
<b>Carrying value at September 30, 2017</b>	<b>\$ 3,580</b>

**8. EXPLORATION AND EVALUATION ASSETS**

	Hank Property
Balance as at June 30, 2016	\$92,351
<b>Exploration Costs</b>	
Assaying	8,115
Fieldwork	11,808
Geological	10,800
GIS Mapping	15,756
Camp/Site Costs	31,050
43-101 Report	4,320
IP Survey	43,400
Transport & Rental Equipment	60,624
Travel/Site	5,650
Total Expenditures	191,523
Balance at June 30, 2017	\$283,874
Assaying	26,190
Drilling	555,423
Fieldwork	13,935
GIS Mapping	820
Camp/Site Costs	64,243
Field supplies and equipment	38,259
Transport & Rental Equipment	273,894
Travel/Site	5,299
Total Expenditures	978,064
<b>Balance at September 30, 2017</b>	<b>\$1,261,938</b>

**GOLDEN RIDGE RESOURCES Ltd.**

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(Expressed in Canadian Dollars)

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**8. EXPLORATION AND EVALUATION ASSETS (cont'd)**

***Hank Property, British Columbia***

On June 25, 2014 (the "Effective Date") the Company and Lac Properties Inc. ("Lac") entered into an option agreement (the "Option") for the Company to acquire a 100% interest in the Hank property (the "Property"), located in the Liard district of British Columbia, subject to a 2% net smelter return ("NSR") to Lac. The terms of the Option include:

- (a) incurring \$100,000 in exploration expenditures as defined in the Option (the "Expenditures") 12 months following the Effective Date (hereafter called the "Expenditure Anniversary Date") (completed);
- (b) incurring an additional \$200,000 in Expenditures on or before the second Expenditure Anniversary Date (completed);
- (c) incurring an additional \$700,000 in Expenditures on or before the third Expenditure Anniversary Date (completed); and
- (d) incurring an additional \$1,000,000 in Expenditures on or before the fourth Expenditure Anniversary Date.

The Company as operator in accordance with the terms of the Option is entitled to record a 5% management fee (the "Management Fee") on the Expenditures incurred. Pursuant to the Option, the Company may, on written notice to Lac, elect to have up to 25% of the Expenditures required to have been spent by one of the deadlines set forth above deferred to the following Expenditure Period. The Company elected to defer the balance of year two Expenditures of approximately \$13,258 to the second Expenditure Anniversary Date.

On June 16, 2016, the parties amended the Option to extend the Expenditure Anniversary Date to November 25, 2016.

Lac has certain back-in rights to earn 51% of the Property by repaying the Company all of its expenditures on the Property and cancelling the 2% NSR. In the event Lac exercises the back-in right the companies will form a 51%/49% joint venture with Lac as the operator.

**NSR Agreement**

On April 18, 2017 the Company entered into a NSR royalty agreement with Cobalt 27 Capital Corp. ("Cobalt 27") wherein the Company has granted a 2% NSR on certain mineral claims known as the North Canol BR Property and North Canol NS Property located in the Yukon. Consideration for the NSR is \$50,000 (the "Royalty Purchase Price"). Cobalt 27 completed a public financing and satisfied the Royalty Purchase Price by the issuance from treasury to the Company, the number of common shares that are listed on the recognized stock exchange on which the common shares are posted for trading, at an issue price that is equal to the price of the common shares issued as part of the Public Financing (the "Consideration Shares"). The Consideration Shares were issued July 4, 2017 and are subject to a hold period until October 27, 2017.

**GOLDEN RIDGE RESOURCES Ltd.***(An Exploration Stage Company)***NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016***(Expressed in Canadian Dollars)***9. TRADE AND OTHER PAYABLES**

	<b>September 30</b>		June 30
	<b>2017</b>		2017
Trade payables	\$ 879,391	\$	40,948
Due to related parties - Note 11	<b>61,299</b>		24,736
<b>Total</b>	<b>\$ 940,690</b>	\$	<b>65,684</b>

**10. SHARE CAPITAL AND RESERVES****a) Common Shares**

The Company's authorized share capital is an unlimited number of common shares with no par value.

The following is a summary of changes in share capital from July 1, 2016 to September 30, 2017.

	Number	Issue Price	Total
Balance at June 30, 2015 and June 30, 2016	14,083,332	-	\$ 1,551,730
Private Placement	2,070,680	\$0.10	207,068
Share issue costs	-	-	(1,873)
<b>Balance as at June 30, 2017 and September 30, 2017</b>	<b>16,154,012</b>	<b>-</b>	<b>\$ 1,756,925</b>

**Private Placement**

There were no shares issued during the three months ended September 30, 2017.

During the year ended June 30, 2017

On November 10, 2016, the Company completed a private placement for 2,070,680 units at a price of \$0.10 per unit (the "Unit") for aggregate gross proceeds of \$207,068. Each Unit consisted of one common share and one-half of one non-transferable share purchase warrant. Each warrant is exercisable by the holder to acquire one additional common share at a price of \$0.25 for 24 months.

As at September 30, 2016 the Company had received subscription receipts of \$61,121 in connection with the placement as described herein.

**b) Share Purchase Warrants**

The following is a summary of changes in share purchase warrants from July 1, 2016 to September 30, 2017

	Number	Weighted Average Price
Balance, June 30, 2015	11,333,332	\$0.11
Expired	(11,333,332)	
Balance, June 30, 2016	-	-
<b>Granted</b>	<b>1,035,341</b>	<b>\$0.25</b>
<b>Balance June 30, 2017 and September 30, 2017</b>	<b>1,035,341</b>	<b>\$0.25</b>

**GOLDEN RIDGE RESOURCES Ltd.***(An Exploration Stage Company)*
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
 FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016  
 (Expressed in Canadian Dollars)**


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**10. SHARE CAPITAL AND RESERVES (cont'd)**

As at September 30, 2017 the following share purchase warrants were outstanding:

Number	Price Per Share	Expiry Date
1,035,340	\$0.25	10-Nov-18

As at September 30, 2017 1,035,340 (2016 – \$Nil) share purchase warrants were outstanding and exercisable with a weighted average remaining contractual life of 1.11 years.

**11. ADMINISTRATIVE AND GENERAL EXPENSES**

	September 30 2017	September 30 2016
<b>Administrative and General Expenses:</b>		
Accounting and legal	\$ 37,073	\$ -
Consulting - Note 11	49,388	750
Conferences	41,480	-
Office and administration fees	13,217	-
Investor relations, website development and marketing	205,000	1,398
Rent	2,911	-
Filing fees	34	515
Transfer agent fees	677	-
Travel	5,037	-
	<b>\$ 354,817</b>	<b>\$ 2,663</b>

**12. RELATED PARTY TRANSACTIONS****a. Key Management Compensation**

	September 30 2017	September 30 2016
<b>Key management personnel compensation comprised :</b>		
Administration and labour	\$ 3,338	\$ 950
Consulting fees	11,888	750
	<b>\$ 15,225</b>	<b>\$ 1,700</b>

- i) Consulting fees of \$11,888 (2016 - \$750 were paid or accrued to Minco for services provided by the Chief Financial Officer;
- ii) Administration fees of \$3,338 (2016 - \$950) were paid or accrued to Minco in relation to providing administrative and accounting employment services; and

**GOLDEN RIDGE RESOURCES Ltd.***(An Exploration Stage Company)***NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016***(Expressed in Canadian Dollars)***12. RELATED PARTY TRANSACTIONS (cont'd)****b. Related Party Liabilities**

Amounts due to:	Service for:	September 30 2016	June 30 2017
Minco	Consulting & Administration Fees	\$46,592	\$16,025
43983 Yukon Inc.	Consulting Fees	7,798	5,363
Colorado Resources Ltd.	Rent & Administration	6,909	3,348
		<b>\$61,299</b>	<b>\$24,736</b>

**c. Related Party Receivables**

Amounts due from:	Service for:	September 30 2017	June 30 2017
Damara	Rent & Expenses	\$2,020	\$2,020

Damara Gold Corp. has common officers and directors of the Company and expenses are incurred for shared office space and administrative personnel. Amounts due to/from related parties are without interest or stated terms of repayment.

**13. INCOME TAXES**

As at June 30, 2017, the Company has available losses that may be carried forward to apply against future years' income for income tax purposes. The approximate Canadian non-capital losses expire as follows:

Year of Expiry	Taxable Losses
2031	\$ 31,000
2032	535,000
2033	131,000
2034	306,000
2035	18,000
2036	24,000
2037	54,000
<b>Total</b>	<b>\$ 1,099,000</b>

The potential benefits of these carry-forward non-capital losses and deductible temporary differences has not been recognized in these financial statements as it is not considered probable that there will be sufficient future taxable profit to utilize the deferred tax assets.

**14. LOSS PER SHARE**

	September 30 2017	September 30 2016
Net loss attributable to ordinary shareholders	(\$304,817)	(\$2,663)
Weighted average number of common shares	16,154,012	14,083,332
Basic and diluted loss per share	(\$0.02)	(\$0.00)

**GOLDEN RIDGE RESOURCES Ltd.**

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(Expressed in Canadian Dollars)

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**15. SEGMENT REPORTING**

The Company is organized into business units based on mineral properties and has one reportable operating segment, being that of acquisition and exploration and evaluation activities in Canada. The Company's non-current assets as at September 30, 2017 and June 30, 2017 are all in Canada.

**16. SUPPLEMENTAL CASH FLOW INFORMATION**

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statements of cash flows. During the three months ended September 30, 2017 and 2016 are the following transactions were excluded from the statements of cash flows:

- i) Exploration and evaluation assets payable amounts of \$658,344 (2016 - \$Nil) were included in accounts payable at September 30, 2017.

**17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company is exposed through its operations to the following financial risks:

- Market risk
- Credit risk
- Liquidity risk

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated.

**General Objectives, Policies and Processes**

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's management. The effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets out are reviewed periodically by the Board of Directors if and when there are any changes or updates required.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. Market prices are comprised of interest rate, commodity price risk and foreign currency risk. The Company is not exposed to significant market risk.

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**17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)**

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of major Canadian chartered banks. The Company regularly monitors compliance with its cash management policy. The Company is not exposed to significant interest rate risk.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk with respect to its investment in securities (*See Note 19 - Events after the Reporting Date*). The Company is not exposed to significant other price risk.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counter party to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and receivables. Cash is maintained with financial institutions of reputable credit and may be redeemed upon demand.

The carrying amount of the cash and receivables represents the maximum credit exposure. The Company is not exposed to significant credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days. To achieve this objective, the Company would prepare annual capital expenditure budgets, which are regularly monitored and updated as considered necessary.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable and option payment commitments. The Company's trade and other payables are all due within 90 days after the years ended June 30, 2017 and 2016. The Company does not have sufficient cash on hand to meet requirements. The Company is not exposed to significant liquidity risk.

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The statements of financial position carrying amounts for cash, receivables, and trade and other payables approximate fair value due to their short-term nature.

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**17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)**

Determination of Fair Value (cont'd)

Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Fair Value Hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash is measured as Level 1 financial instruments.

**18. CAPITAL MANAGEMENT**

The Company considers its share capital as capital. The Company's objectives when maintaining capital are to maintain a sufficient capital base in order to meet its short-term obligations and at the same time preserve investor's confidence required to sustain future development and production of the business.

The Company is not exposed to any externally imposed capital requirements. There has been no change in the Company's approach to capital management during the period ended September 30, 2017.

**19. COMMITMENTS AND CONTINGENCIES**

On May 27, 2017 the Company entered into a five-year lease with Vintage Commercial Ltd. effective July 1, 2017 at an annual payable rent of \$19,332 in the first year (ten months) and \$23,201 effective July 1, 2018 until June 1, 2022.

**20. EVENTS AFTER THE REPORTING DATE**

**Corporate Transaction**

On July 18, 2017 the Company, 88 Capital Corp. ("88 Capital") and the shareholders of the Company entered into a share purchase agreement (the "SPS") to acquire 100% of the issued and outstanding securities of the Company by means of reverse takeover in exchange for common shares of 88 Capital on a one-for-one basis (the "Transaction").

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**19. EVENTS AFTER THE REPORTING DATE (cont'd)**

**Corporate Transaction (cont'd)**

On October 18, 2017 the parties completed the Transaction and a concurrent non-brokered private placement for gross proceeds of \$5,245,613 by issuing 32,864,500 units (each a "Unit"), at a price of \$0.125 per Unit, for proceeds of \$4,108,062; and 7,583,673 "flow-through" common shares (each a "FT Share"), at a price of \$0.15 per FT Share, for gross proceeds of \$1,137,550. Each Unit consisted of one common share and one-half of one common share purchase warrant ("Warrant"), with each Warrant being exercisable to acquire one common share of the Company at a price of \$0.25 until August 31, 2020.

On closing of the Transaction, the shareholders of the Company received 16,154,012 common shares of 88 Capital in exchange for all of the issued and outstanding shares of the Company. 88 Capital changed its name to Golden Ridge Resources Ltd. and the shares began trading on the Exchange on October 19, 2017 under the symbol "GLDN". The transaction constituted a reverse take-over of 88 Capital by the Company.

**Stock Options**

On October 18, 2017 the Company granted 2,000,000 stock options to directors, officers, employees and consultants pursuant to the Company's stock option plan. Each option is exercisable to purchase one common share of the Company at \$0.15 per share for a period of three years. The option grant is subject to TSX Venture Exchange approval.