

RIPPER OIL AND GAS INC.

Condensed Interim Financial Statements
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

As at and for the six months ended September 30, 2017 and 2016

RIPPER OIL AND GAS INC.

(the “Company” or “Ripper”)

CONDENSED INTERIM FINANCIAL STATEMENTS

As at and for the six months ended September 30, 2017

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The Management of Ripper Oil And Gas Inc. is responsible for the preparation of the accompanying unaudited condensed interim financial statements. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

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

RIPPER OIL AND GAS INC.

Condensed Interim Statements of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	September 30, 2017	March 31, 2017
Assets		
Current Assets		
Cash	\$ 732,350	\$ 433,244
Total Assets	\$ 732,350	\$ 433,244
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 16,734	\$ 11,448
Shareholders' Equity		
Share capital (Note 5)	9,509,337	9,170,337
Share-based payment reserve (Note 5)	498,873	498,873
Deficit	(9,292,594)	(9,247,414)
	715,616	421,796
Total Liabilities and Shareholders' Equity	\$ 732,350	\$ 433,244

Nature and continuance of operations (Note 1)
Related party transactions (Note 4)
Subsequent events (Note 9)

Approved on Behalf of the Board on November 27, 2017:

"Scott Ackerman"
Scott Ackerman – Director

"Doug McFaul"
Doug McFaul – Director

The accompanying notes are an integral part of these financial statements

RIPPER OIL AND GAS INC.

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	For the three months ended September 30,		For the six months ended September 30,	
	2017	2016	2017	2016
Expenses				
General and administrative	\$ 3,587	\$ 3,413	\$ 7,208	\$ 6,854
Management fees	12,600	27,000	25,200	54,000
Professional fees	2,934	3,570	5,434	5,770
Transfer agent and filing fees	4,684	3,200	7,338	5,425
Net loss and comprehensive loss for the period	\$ (23,805)	\$ (37,183)	\$ (45,180)	\$ (72,049)
Weighted average number of common shares outstanding¹	17,336,585	6,895,651	17,116,118	6,895,651
Basic and diluted loss per share	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)

¹ Per share information has been retroactively adjusted to reflect the October 3, 2016 2 old for 1 new common share consolidation

The accompanying notes are an integral part of these financial statements

RIPPER OIL AND GAS INC.

Condensed Interim Statements of Changes in Shareholders' Equity

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	Number of Common Shares ¹	Share Capital	Subscription Received	Share-Based Payment Reserve	Deficit	Total Shareholders' Equity
Balance, March 31, 2016	6,895,651	\$ 8,680,337	\$ -	\$ 498,873	\$ (9,098,419)	\$ 80,791
Subscriptions received	-	-	500,000	-	-	500,000
Loss for the period	-	-	-	-	(72,049)	(72,049)
Balance, September 30, 2016	6,895,651	\$ 8,680,337	\$ 500,000	\$ 498,873	\$ (9,170,468)	\$ 508,742
Balance, March 31, 2017	16,895,651	\$ 9,170,337	\$ -	\$ 498,873	\$ (9,247,414)	\$ 421,796
Warrants exercised	5,650,000	339,000	-	-	-	339,000
Loss for the period	-	-	-	-	(45,180)	(45,180)
Balance, September 30, 2017	22,545,651	\$ 9,509,337	\$ -	\$ 498,873	\$ (9,292,594)	\$ 715,616

¹ Per share information has been retroactively adjusted to reflect the October 3, 2016 2 old for 1 new common share consolidation

The accompanying notes are an integral part of these financial statements

RIPPER OIL AND GAS INC.

Condensed Interim Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	For the six months ended September 30,	
	2017	2016
Cash (used in) / provided by:		
Operating Activities:		
Loss and comprehensive loss for the period	\$ (45,180)	\$ (72,049)
Changes in non-cash working capital items:		
Receivables	-	(109)
Accounts payables and accrued liabilities	5,286	(5,713)
	(39,894)	(77,871)
Investing Activities:		
Restricted Cash	-	(500,000)
Financing Activities:		
Warrants exercised	339,000	-
Share subscriptions received	-	500,000
	339,000	500,000
Change in cash for the period	299,106	(77,871)
Cash, beginning of the period	433,244	92,323
Cash, end of the period	\$ 732,350	\$ 14,452
Supplemental cash flow information:		
Interest paid	\$ -	\$ -
Income taxes	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

RIPPER OIL AND GAS INC.

Notes to the Condensed Interim Financial Statements

As at and for the six months ended September 30, 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Ripper Oil And Gas Inc. (“Ripper” or the “Company”) is a public company and its shares are listed on the NEX Board of the TSX Venture Exchange (TSX-V: RYP.H). The Company was originally incorporated under the Business Corporations Act (Alberta) on October 20, 2000 and on May 25, 2012, Ripper was continued as a British Columbia corporation under the Business Corporations Act (British Columbia). The Company’s head office is located 1600 – 609 Granville Street, Vancouver, B.C. V7Y 1C3 and registered and records office is located at 2200 - 885 West Georgia Street, Vancouver, BC V6C 3E8.

On October 3, 2016, the Company consolidated its share capital on the basis of 2 old common shares for one new common share. Outstanding stock options and warrants were adjusted by the consolidation ratio. All common shares and per share amounts in these financial statements have been retroactively restated to reflect the share consolidation.

The Company has no sources of revenue and its primary operation is the identification, and evaluation of a new business opportunity for the purpose of acquisition or participation. The Company currently has sufficient liquidity to meet its operational requirements for the next fiscal year. However, the Company’s continued operations are dependent upon its ability to identify, evaluate and successfully negotiate an agreement to acquire an interest in a sustainable/viable business operation. Any acquisition proposed by the Company will be subject to shareholder and regulatory approval. There is no assurance that the Company will identify a business or asset that warrants acquisition or participation, and/or will be able to obtain the financing necessary to support a new business acquisition.

The Company is currently focused on seeking new business opportunities to either acquire or within which to participate.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. These financial statements do not reflect any adjustments, which could be material, to the carrying values of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

RIPPER OIL AND GAS INC.

Notes to the Condensed Interim Financial Statements

As at and for the six months ended September 30, 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION

The condensed interim financial statements of the Company have been prepared in accordance with IFRS as issued by the International Accounting Standard Board (“IASB”) and in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The condensed interim financial statements do not include all the information required for the full annual financial statements and should be read in conjunction with the most recent audited March 31, 2017 annual financial statements of the Company which are available on www.sedar.com.

The financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company. The Company’s financial statements were authorized for issue by the Board of Directors on November 27, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements of the Company have been prepared on the 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. In addition, the financial statements have been prepared using the accrual basis of accounting, except for the statements of cash flows.

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Company’s most recent audited annual March 31, 2017 financial statements of the Company which are available on www.sedar.com and reflect all the adjustments necessary for fair presentation in accordance with IAS 34. There has been no material impact on these financial statements from changes in accounting standards during the period.

RIPPER OIL AND GAS INC.

Notes to the Condensed Interim Financial Statements
As at and for the six months ended September 30, 2017
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4. RELATED PARTY TRANSACTIONS

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. There were no transactions with key management personnel during the six months ended September 30, 2017 and 2016.

Summary of expenses incurred:

Type of Service	Nature of Relationship	For the three months ended September 30,		For the six months ended September 30,	
		2017	2016	2017	2016
Management fees	To a company that has a director in common with the Company	\$ 12,600	\$ 27,000	\$ 25,200	\$ 54,000
Rent	To a company that has a director in common with the Company	3,150	3,000	6,300	6,000
Total		\$ 15,750	\$ 30,000	\$ 31,500	\$ 60,000

No amounts are due from or due to related parties as at September 30, 2017 and 2016.

5. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE

(a) Authorized

Unlimited common shares

Unlimited preferred shares, of which none have been issued

(b) Shares issued

On October 3, 2016, the Company completed a non-brokered private placement which raised \$500,000 through issuance of 10,000,000 units at a price of \$0.05 per unit. Each unit consisted of one post consolidated common share and one share purchase warrant with each share purchase warrant entitling the holder to acquire one additional post consolidated common share at a price of \$0.06 per share until October 2, 2017.

	Number of Common shares
Balance as at March 31, 2016	6,895,651
Private placements	10,000,000
Balance as at March 31, 2017	16,895,651
Warrants exercised	5,650,000
Balance as at September 30, 2017	22,545,651

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5. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (CONTINUED)**(c) Share consolidation**

On October 3, 2016, the Company completed a 2 old for 1 new share consolidation. All share and per share information in these financial statements have been restated to retroactivity reflect this consolidation.

(d) Stock Options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Subject to a minimum exercise price of \$0.05 per share, the exercise price of each option shall not be less than the market price of the Company's stock at the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted average Exercise Price
Balance, March 31, 2016	537,500	\$ 0.42
Cancelled	(50,000)	\$ 0.50
Balance, March 31, 2017	487,500	\$ 0.41
Expired	(312,500)	\$ 0.50
Balance, September 30, 2017	175,000	\$ 0.25

At September 30, 2017, stock options outstanding and exercisable are as follows:

Grant Date	Number of options Outstanding and Exercisable	Exercise Price	Expiry date	Remaining contractual life (years)
June 15, 2015	87,500	\$ 0.25	June 15, 2020	2.71
June 26, 2015	87,500	\$ 0.25	June 26, 2020	2.74
Total	175,000	\$ 0.25		2.72

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions may have a material effect on the fair value of the Company's stock options. For the six months ended September 30, 2017, the Company recorded \$ nil (September 30, 2016 - \$ Nil) in share-based payment reserve as a result of options vesting during the year.

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5. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (continued)**(e) Warrants**

On October 3, 2016, as part of a non-brokered private placement the Company issued 10,000,000 share purchase warrants, with each warrant entitling the holder to acquire one common share at a price of \$0.06 per share until October 2, 2017.

A summary of the Company's warrant activity is as follow:

	Number of warrants	Weighted Average Exercise price
Balance, as at March 31, 2016	-	\$ -
Issued	10,000,000	0.06
Exercised	(5,650,000)	(0.06)
Balance, as at September 30, 2017	4,350,000	\$ 0.06

At September 30, 2017, warrants outstanding and exercisable are as follows:

Issue Date	Number of warrants Outstanding and Exercisable		Expiry date	Remaining contractual life (years)
	Exercisable	Exercise Price		
October 3, 2016	4,350,000	\$ 0.06	October 2, 2017	0.01
Total	4,350,000	\$ 0.06		

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6. CAPITAL MANAGEMENT

The Company defines capital as consisting of shareholder's equity (comprised of issued share capital, share-based payment reserve and deficit). The Company's objectives when managing capital are to support the identification and acquisition of a new business opportunity and thus the creation of shareholder value as well as to ensure that the Company is able to meet its financial obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. As at September 30, 2017, the Company does not have any long-term debt outstanding and is not subject to any externally imposed capital requirements or debt covenants. There was no change to the Company's approach to capital management during the six months ended September 30, 2017.

7. FINANCIAL INSTRUMENTS

The fair value of the Company's receivables and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of the instruments. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

(a) Financial Risk Factors

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

I. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2017, the Company had a cash balance of \$732,350 to settle current liabilities of \$16,734. All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. As at September 30, 2017, the Company has no sources of revenue to fund its operating expenditures or fund any identified business acquisition and as such will likely require additional financing to accomplish the Company's long term strategic objectives. Future funding may be obtained by means of issuing share capital, or debt financing. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern as disclosed in Note 1. Consequently, the Company is currently exposed to a moderate level of liquidity risk.

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7. FINANCIAL INSTRUMENTS (continued)

(a) Financial Risk Factors (continued)

II. Credit risk

Credit risk is the risk that a customer or counterparty will fail to perform an obligation or fail to pay amounts due, causing a financial loss. As at September 30, 2017, the Company had \$nil in receivable and as such the Company considers its credit risk to be low.

III. Market Risks

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

i. Interest rate risk

The Company considers it to have minimal exposure to interest rate risk as it has no interest-bearing investments or debt.

ii. Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash balances denominated in United States dollars ("US\$"). A 10% fluctuation in the US\$ against the Canadian dollar would not materially affect profit or loss.

iii. Price risk

The Company is exposed to price risk with respect to 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. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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8. FUTURE ACCOUNTING PRONOUNCEMENTS

A number of new IFRS standards, amendments to standards and interpretations are not yet effective for the six months ended September 30, 2017, and have not been applied in preparing these financial statements. None of these is expected to have an effect on the Company's financial statements. The Company has not early adopted these revised standards.

Effective for annual periods beginning on or after January 1, 2018

IFRS 9: Financial instruments: Classification and Measurement: applied to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

IFRS 15: Revenue from Contracts with Customers: a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, Construction Contracts, IAS 18, Revenue, IFRIC 13, Customer Loyalty Programs, IFRIC 15, Agreement for the Construction of Real Estate, IFRIC 18, Transfers of Assets from Customers, and SIC-31, Revenue – Baster Transactions involving Advertising Services.

Effective for annual periods beginning on or after January 1, 2019

IFRS 16: Leases: a new standard that sets out the principle for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of lease as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

9. SUBSEQUENT EVENTS

Subsequent to the end of the period, all outstanding share purchase warrants were exercised.