



**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**(Unaudited)**  
**(Expressed in Canadian Dollars)**

**FOR THE PERIOD ENDED AUGUST 31, 2017**

**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial condensed interim condensed interim statements of the Company have been prepared by and are the responsibility of the Company's management.

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

**INFORM RESOURCES CORP.**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Unaudited)  
(Expressed in Canadian Dollars)  
AS AT

	August 31, 2017	November 30, 2016
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 3,782	\$ 58,486
Receivables	2,881	3,757
Prepaid expenses	<u>15,000</u>	<u>10,000</u>
	21,663	72,243
Property and equipment	<u>2,568</u>	<u>-</u>
	<u>\$ 24,231</u>	<u>\$ 72,243</u>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>Current</b>		
Accounts payable and accrued liabilities	<u>\$ 95,482</u>	<u>\$ 96,371</u>
<b>Shareholders' equity (deficiency)</b>		
Share capital (Note 5)	6,063,957	6,039,217
Reserves (Note 5)	672,095	672,095
Deficit	<u>(6,807,303)</u>	<u>(6,735,440)</u>
	<u>(71,251)</u>	<u>(24,128)</u>
	<u>\$ 24,231</u>	<u>\$ 72,243</u>

**Nature and continuance of operations** (Note 1)

Approved and authorized by the Board on October 30, 2017:

\_\_\_\_\_  
*"Daryn Gordon"* Director      \_\_\_\_\_  
*"Andrew Cheshire"* Director

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

**INFORM RESOURCES CORP.**  
**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
(Unaudited)  
(Expressed in Canadian Dollars)  
**FOR THE PERIODS ENDED**

	Three Months ended August 31, 2017	Three Months ended August 31, 2016	Nine Months ended August 31, 2017	Nine Months ended August 31, 2016
<b>OPERATING EXPENSES</b>				
Accounting and audit	\$ 1,800	\$ 8,500	\$ 7,250	\$ 17,500
Consulting fees	-	15,000	-	18,000
Depreciation	102	-	153	-
Directors fees	-	-	-	2,400
Investor relations and shareholder communications	532	1,212	1,331	2,721
Legal fees	-	-	-	2,113
Management fees	-	2,000	-	14,000
Office and administration	15,503	7,655	41,281	15,803
Transfer agent and filing fees	3,739	3,029	21,848	17,749
<b>Loss before the following</b>	(21,676)	(37,396)	(71,863)	(90,286)
Gain on settlement of accounts payables	-	-	-	1,868
<b>Loss and comprehensive loss for the period</b>	\$ (21,676)	\$ (37,396)	\$ (71,863)	\$ (88,418)
<b>Basic and diluted loss per share</b>	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.02)
<b>Weighted average number of common shares outstanding - basic and diluted</b>	11,669,714	2,940,584	11,605,859	2,940,584

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

**INFORM RESOURCES CORP.**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(Expressed in Canadian Dollars)  
**FOR THE PERIODS ENDED**

	August 31, 2017	August 31, 2016
<b>CASH FROM OPERATING ACTIVITIES</b>		
Loss for the period	\$ (71,863)	\$ (88,418)
Item not affecting cash:		
Depreciation	153	-
Gain on settlement of payables	-	(1,868)
Changes in non-cash working capital items:		
Receivables	876	2,771
Prepaid expenses	(5,000)	(15,000)
Accounts payable and accrued liabilities	<u>(889)</u>	<u>30,092</u>
Net cash used in operating activities	<u>(76,723)</u>	<u>(72,423)</u>
<b>CASH FROM OPERATING ACTIVITIES</b>		
Issuance of common shares	-	198,125
Exercise of warrants	<u>24,740</u>	<u>-</u>
	24,740	198,125
<b>CASH FROM OPERATING ACTIVITIES</b>		
Purchase of property and equipment	<u>(2,721)</u>	<u>-</u>
	(2,721)	-
<b>Change in cash during the period</b>	(54,704)	125,702
<b>Cash, beginning of period</b>	<u>58,486</u>	<u>38,098</u>
<b>Cash, end of period</b>	<u>\$ 3,782</u>	<u>\$ 163,800</u>
<b>Supplemental cash flow information:</b>		
Cash paid during the period for interest	\$ -	\$ -
Cash paid during the period for income taxes	-	-

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**INFORM RESOURCES CORP.**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)**  
(Unaudited)  
(Expressed in Canadian Dollars)

	<u>Share capital</u>				
	Number	Amount	Reserves	Deficit	Total
<b>Balance at November 30, 2015</b>	2,940,584	\$ 5,841,092	\$ 672,095	\$ (6,595,881)	\$ (82,694)
Issuance of shares	8,600,000	215,000	-	-	215,000
Loss for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(88,418)</u>	<u>(88,418)</u>
<b>Balance at August 31, 2016</b>	11,540,584	6,056,092	672,095	(6,684,299)	43,888
Share issue costs	-	(16,875)	-	-	(16,875)
Loss for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(51,141)</u>	<u>(51,141)</u>
<b>Balance at November 30, 2016</b>	11,540,584	6,039,217	672,095	(6,735,440)	(24,128)
Exercise of warrants	990,000	24,740	-	-	24,740
Loss for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(71,863)</u>	<u>(71,863)</u>
<b>Balance at August 31, 2017</b>	12,530,584	\$ 6,063,957	\$ 672,095	\$ (6,807,303)	\$ (71,251)

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

**INFORM RESOURCES CORP.**  
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
PERIOD ENDED AUGUST 31, 2017  
(Unaudited)  
(Expressed in Canadian Dollars)

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Inform Resources Corp. (the “Company”) is an exploration company incorporated on September 22, 1999 under the laws of the Province of Alberta, Canada. The Company filed for continuance under the Canada Business Corporations Act on December 1, 2003 and then under the laws of British Columbia on November 4, 2010. The Company is listed on the TSX Venture Exchange (“TSX-V”) and trades under the symbol IRR. The Company’s head office, principal address and registered and records office is 1920, 1177 Hastings Street West, Vancouver, British Columbia, Canada, V6E 2K3.

These condensed interim 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. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. There is significant doubt that the Company can continue due to its working capital deficit. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. These material uncertainties August cast significant doubt about the Company’s ability to continue as a going concern.

The condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company’s ability to receive financial support, necessary financings, or generate profitable operations in the future.

**2. BASIS OF PREPARATION**

**Statement of Compliance and basis of presentation**

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with IFRS issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s November 30, 2016 annual financial statements.

**Critical accounting estimates and significant judgments**

*Estimates:*

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and the reported expenses during the period. Actual results could differ from these estimates.

**2. BASIS OF PREPARATION** (cont'd...)

**Critical accounting estimates and significant judgments** (cont'd...)

*Estimates (cont'd...):*

Significant assumptions about the future and other sources of estimation and judgement uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgements and assumptions about each project. Management considers the economics of the project, including the latest resources prices and the long-term forecasts, and the overall economic viability of the project.

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances because of income tax audits, reassessments, jurisprudence and any new legislation August result in an increase or decrease in our provision for income taxes. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

*Judgments:*

The most significant judgments relate to the recoverability of capitalized amounts and recognition of deferred tax assets and liabilities.

**5. SHARE CAPITAL AND RESERVES**

**Authorized share capital**

As at August 31, 2017 the authorized share capital of the Company is an unlimited number of common shares without par value.

**Private placements**

There were no private placements completed during the period ended August 31, 2017 or the year ended November 30, 2016.

**Exercise of warrants**

On May 19, 2017, 990,000 warrants were exercise to issue 990,000 common shares for gross proceeds of \$24,740.

**INFORM RESOURCES CORP.**  
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
PERIOD ENDED AUGUST 31, 2017  
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**Share split**

On May 9, 2017, the Company completed a forward share split pursuant to which the issued and outstanding common shares in the capital of the Company were split on a two post-split shares for each issued and outstanding pre-split share. The comparative share amounts have been adjusted to reflect this transaction.

**Stock options and warrants**

Warrant and stock option transactions are summarized as follows:

	Warrants		Stock options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, November 30, 2015	2,393,800	\$ 0.500	28,126	\$ 14.99
Expired	(2,393,800)	0.500	(28,126)	14.99
Granted	<u>8,600,000</u>	<u>\$ 0.025</u>	<u>-</u>	<u>-</u>
Outstanding, November 30, 2016	8,600,000	0.025	-	-
Expired	<u>(990,000)</u>	<u>0.025</u>	<u>-</u>	<u>-</u>
Outstanding, August 31, 2017	<u>7,610,000</u>	<u>\$ 0.025</u>	<u>-</u>	<u>\$ 3.03</u>

**Share-based payments**

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 stock of the Company. Under the plan the exercise price of each option equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years with vesting determined by the board of directors.

The Company did not grant any stock options during the periods ended August 31, 2017 and August 31, 2016.

**6. RELATED PARTY TRANSACTIONS**

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 members of the Company's Board of Directors, and corporate officers. The remuneration of directors and key management personnel during the periods ended August 31, 2017 and August 31, 2016, were as follows:

- a) Management fees of nil (2016 - \$18,000) to a company controlled by an officer of the Company.
  - b) Management fees of nil (2016 - \$14,000) to a company controlled by a former officer of the Company.
  - c) Directors fees of nil (2016 - \$2,400) to two companies controlled by former directors of the Company.
  - d) Accounting fees of \$5,400 (2016 - \$12,300) to a company controlled by an officer of the Company.
- Included in accounts payable and accrued liabilities at August 31, 2017 is \$21,360 (November 30, 2016 - \$15,540) due to directors and officers of the Company.

**8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

**Financial instruments**

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

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

*Credit risk*

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consist mainly of GST receivable from the Government of Canada. The Company has been successful in recovering input tax credits and believes credit risk with respect to receivables to be insignificant.

**INFORM RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

PERIOD ENDED AUGUST 31, 2017

(Unaudited)

(Expressed in Canadian Dollars)

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**8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)****Financial instruments (cont'd...)***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 August 31, 2017, the Company had a cash balance of \$3,782 (November 30, 2016 - \$38,098) to settle current liabilities of \$95,482 (November 30, 2016 - \$126,578). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. To maintain liquidity, the Company is currently investigating financing opportunities, including optioning interests in the Company's properties.

*Market risk*

Market risk is the risk of loss that August arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

## a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at August 31, 2017, the Company did not have any investments in investment-grade short-term deposit certificates.

## b) Foreign currency risk

The Company's business is conducted in Canadian dollars. As such, the Company considers exposure to foreign currency risk to be minimal.

## c) Price risk

The mining industry is heavily dependent upon the market price of the metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond control of the Company August affect the marketability of any minerals discovered. The price of gold has experienced volatile and significant price movements over short periods of time, and is affected by numerous factors beyond the Company's control. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

**9. CAPITAL MANAGEMENT**

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the acquisition and exploration of its exploration and evaluation assets. Capital is comprised of the Company's shareholders' equity. 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 and is not subject to externally imposed capital requirements.