

PACIFIC LINK MINING CORP.

Condensed Interim Financial Statements

Third Quarter Ended September 30, 2017

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF 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 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 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 Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Pacific Link Mining Corp.

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

		September 30, 2017	December 31, 2016
		\$	\$
ASSETS			
Current Assets			
Cash		2,174	37,210
Short-term investments	Note 3	300,000	300,000
Amounts receivable and prepaid expenses		3,621	2,060
		305,795	339,270
Equipment	Note 4	1,039	1,248
Total Assets		306,834	340,518
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		200	5,372
Due to related parties	Note 5	1,500	1,575
Total Liabilities		1,700	6,947
SHAREHOLDERS' EQUITY			
Share capital	Note 6	6,256,599	6,256,599
Reserves	Note 6	1,768,454	1,768,454
Deficit		(7,719,919)	(7,691,482)
Total Shareholders' Equity		305,134	333,571
Total Liabilities and Shareholders' Equity		306,834	340,518
<i>Nature and Continuanance of Operations</i>	Note 1		
<i>Commitment</i>	Note 8		

The condensed interim financial statements were authorized and issued by the Board of Directors on November 22, 2017.

On behalf of the Board:

“Mar Bergstrom”
Mar Bergstrom, Director

“Michael Doggett”
Michael Doggett, Director

See accompanying notes to the condensed interim financial statements

Pacific Link Mining Corp.

Condensed Interim Statements of Comprehensive Loss

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2017	2016	2017	2016
		\$	\$	\$	\$
Expenses					
Audit and accounting	Note 5	1,500	1,500	3,300	4,273
Consulting and management	Note 5	2,250	2,250	6,750	6,750
Depreciation		70	91	209	273
Filing and transfer fees		3,744	5,985	8,593	11,560
Legal		-	1,883	-	1,883
Office and miscellaneous		1,332	1,038	3,592	3,203
Rent and utilities	Note 5	600	600	1,785	1,710
Salaries and benefits	Note 5	1,821	1,690	5,891	5,068
Loss before other item		(11,317)	(15,037)	(30,120)	(34,720)
Interest income (expense)		567	(135)	1,683	1,253
Net loss and comprehensive loss for the period		(10,750)	(15,172)	(28,437)	(33,467)
Loss per share – basic and diluted		(0.00)	(0.00)	(0.00)	(0.00)
Weighted-average shares – basic and diluted		14,325,853	14,325,853	14,325,853	14,325,853

See accompanying notes to the condensed interim financial statements

Pacific Link Mining Corp.

Condensed Interim Statements of Changes in Equity

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

	Share Capital		Reserves		Total
	Number of shares	Amount	Equity-settled employee benefits	Deficit	
		\$	\$	\$	\$
Balance December 31, 2015	14,325,853	6,256,599	1,768,454	(7,643,932)	381,121
Net loss for the period	-	-	-	(33,467)	(33,467)
Balance September 30, 2016	14,325,853	6,256,599	1,768,454	(7,677,399)	347,654
Balance December 31, 2016	14,325,853	6,256,599	1,768,454	(7,691,482)	333,571
Net loss for the period	-	-	-	(28,437)	(28,437)
Balance September 30, 2017	14,325,853	6,256,599	1,768,454	(7,719,919)	305,134

See accompanying notes to the condensed interim financial statements

Pacific Link Mining Corp.

Condensed Interim Statements of Cash Flows

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

	Nine Months Ended September 30,	
	2017	2016
	\$	\$
Cash flows from operating activities		
Net loss for the period	(28,437)	(33,467)
Adjustments for items not involving the use of cash:		
Depreciation	209	273
Interest	-	-
Changes in non-cash working capital items:		
Amounts receivable and prepaid expenses	(1,561)	(1,445)
Accounts payable and accrued liabilities	(5,172)	(352)
Due to related parties	(75)	5,082
Net cash used in operating activities	(35,036)	(29,909)
Cash flows from investing activities		
Interest received	-	2,628
Redemption of short-term investments	-	380,000
Net cash provided by investing activities	-	382,628
Change in cash	(35,036)	352,719
Cash, beginning of the period	37,210	1,776
Cash, end of the period	2,174	354,495

See accompanying notes to the condensed interim financial statements

Pacific Link Mining Corp.

Notes to the Condensed Interim Financial Statements
For the periods ended September 30, 2017 and 2016
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

1. Nature and Continuance of Operations

Pacific Link Mining Corp. (the “Company”) was incorporated in British Columbia in October 1989. The Company currently does not have any material operations and is pursuing various business opportunities.

The registered address, head office, principal address and records office of the Company are located at 2772 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 3P3.

These condensed interim financial statements have been prepared on the going concern basis, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Several adverse conditions cast substantial doubt on the validity of this assumption. The Company has incurred operating losses over the past several fiscal years (2016 - \$47,550; 2015 - \$41,247), has limited financial resources, no source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available.

The application of the going concern concept is dependent upon the Company’s ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These condensed interim financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going concern and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts differing from those reflected in the condensed interim financial statements.

Management plans to continue to pursue equity or debt financing to support operations. Management believes this plan will be sufficient to meet the Company’s liabilities and commitments as they become payable over the next twelve months. There can be no assurance that management’s plan will be successful. Failure to maintain the support of creditors and obtain additional external equity financing will cause the Company to curtail operations and the Company’s ability to continue as a going concern will be impaired. The outcome of these matters cannot be predicted at this time.

2. Basis of Presentation and Significant Accounting Policies

a) Statement of compliance

These unaudited condensed interim financial statements, including comparatives have been prepared and presented in Canadian dollars in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting. The significant accounting policies applied in these condensed interim financial statements are based on the IFRS Interpretations issued and outstanding as of September 30, 2017.

b) Basis of presentation

These condensed interim financial statements have been prepared on a historical cost basis, modified where applicable. In addition they have been prepared on an accrual basis.

The accounting policies set out below have been applied consistently to all periods presented in these condensed interim financial statements.

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2. Basis of Presentation and Significant Accounting Policies (continued)

c) Significant accounting judgments, estimates, and assumptions

The preparation of the Company's condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and contingent liabilities at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies:

The following is a critical judgment that management has made in the process of applying accounting policies and that has the most significant effect on the amounts recognized in the condensed interim financial statements:

- the determination that the Company will continue as a going concern for the next year.

d) Significant accounting policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited annual financial statements as at December 31, 2016. There unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2016.

e) New accounting standards and interpretation

Effective (proposed) for annual periods beginning on or after January 1, 2018:

IFRS 9, Financial Instruments - IFRS 9 is a new standard on financial instruments that will replace IAS 39, Financial Instruments: Recognition and Measurement.

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as de-recognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

Pacific Link Mining Corp.

Notes to the Condensed Interim Financial Statements
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3. Short-term Investments

At September 30, 2017, short-term investments consist of a cashable guaranteed investment certificate (“GIC”) with principal totalling \$300,000 (December 31, 2016 - \$300,000). The GIC had an interest rate of Prime less 2.00% and a two year term and at September 30, 2017, \$1,874 (December 31, 2016 - \$191) in interest was accrued and is included in amounts receivable.

4. Equipment

During the period ended September 30, 2017, the Company recorded depreciation of \$209 (September 30, 2016 - \$273). No additions or disposals were made during the year. Continuity is as follows:

	Computer equipment	Office furniture and equipment	Total
	\$	\$	\$
Cost			
Balance, December 31, 2015, 2016, and September 30, 2017	16,932	17,565	34,497
Accumulated depreciation			
Balance, December 31, 2015	16,516	16,369	32,885
Depreciation for the year	125	239	364
Balance, December 31, 2016	16,641	16,608	33,249
Depreciation for the period	65	144	209
Balance, September 30, 2017	16,706	16,752	33,458
Carrying amounts			
Balance, December 31, 2016	291	957	1,248
Balance, September 30, 2017	226	813	1,039

Pacific Link Mining Corp.

Notes to the Condensed Interim Financial Statements
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5. Related Party Transactions

a) Key management personnel compensation:

	Nine Months Ended September 30,	
	2017	2016
	\$	\$
Accounting*	4,500	4,972
Consulting and management	6,750	6,750
	11,250	11,722

*On the condensed interim statement of comprehensive loss the audit fees and accounting fees are grouped together and during the period ended September 30, 2017 there was an audit accrual adjustment of (\$1,200) which results in a net amount of \$3,300.

b) During the period ended September 30, 2017, the Company incurred \$8,852 (2016 - \$9,317) to Minco Gold Corporation, a company with a common director, for reimbursement of shared office expenses, salaries and benefits and reimbursement of filing fees paid on behalf of the Company.

Management is of the opinion that these transactions have occurred in the normal course of operations and are measured at the exchange amount agreed to by transacting parties.

As at September 30, 2017, \$1,500 (December 31, 2016 - \$1,575) was due to related parties. Amounts due to related parties are unsecured, non-interest bearing and without specific terms of repayment.

6. Share Capital and Reserves

Authorized share capital - unlimited number of common shares without par value.

Equity-settled employee benefits reserve

The Company has an incentive stock option plan (the “Plan”) whereby the Company may grant stock options to eligible employees, officers, directors and consultants at an exercise price to be determined by the board of directors, provided the exercise price is not lower than the market value at time of issue less any discount allowed by the stock exchange upon which the common shares are listed. The Plan provides for the issuance of up to 10% of the Company’s issued common shares as at the date of grant with each stock option having a maximum term of five years. The board of directors has the exclusive power over the granting of options and their vesting provisions.

The Company does not have any stock options or warrants outstanding at September 30, 2017 and December 31, 2016.

7. Management of Capital

The Company’s objective in managing its liquidity and capital is to safeguard its ability to continue as a going concern and provide financial capacity to meet its strategic objectives. The capital structure of the Company consists of equity attributable to common shareholders, comprising issued share capital, and reserves. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. As at September 30, 2017, the Company did not have long-term debt and was not exposed to any externally imposed capital requirements.

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Notes to the Condensed Interim Financial Statements
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8. Commitment

The Company has a commitment in respect of shared office expenses requiring annual payments of \$2,400 to Minco Gold Corporation, a related party with a common director.

9. Financial Instruments

The Company's financial instruments are exposed to the following risks:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is the risk of liquidity of cash of \$2,174 at September 30, 2017 (December 31, 2016 - \$37,210) and short-term investments of \$300,000 at September 30, 2017 (December 31, 2016 - \$300,000). As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's primary exposure to liquidity risk from financial instruments is its need to meet accounts payable and accrued liabilities obligations of \$200 at September 30, 2017 (December 31, 2016 - \$5,372). The Company did maintain sufficient cash balances to meet these needs at September 30, 2017.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its cash. The majority of cash deposits have been in discounted instruments with pre-determined fixed yields. Interest rate movements will affect the fair value of these instruments so the Company manages maturity dates of these instruments to match cash flow needs, enabling realization at no loss in almost all cases. At September 30, 2017 the Company maintained its cash balance on deposit in a chequing account and an investment account with a major Canadian bank.

Fair Value of Financial Instruments

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

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9. Financial Instruments (continued)

The fair value classification of the Company's financial instruments as at September 30, 2017 and December 31 2016 is as follows:

	September 30, 2017			December 31, 2016		
	Fair value level	Fair value through profit or loss	Loans and receivables and other financial liabilities at amortized cost	Fair value through profit or loss	Loans and receivables and other financial liabilities at amortized cost	
		\$	\$	\$	\$	
<i>Financial assets:</i>						
Cash	1	2,174	-	37,210	-	
Short-term investments	1	300,000	-	300,000	-	
		302,174	-	337,210	-	
<i>Financial liabilities:</i>						
Accounts payables and accrued liabilities	2	-	200	-	5,372	
Due to related parties	2	-	1,500	-	1,575	
		-	1,700	-	6,947	

During the three months ended September 30, 2017 and the year ended December 31, 2016, there were no transfers between level 1, level 2 and level 3 classified assets and liabilities.