



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2017 AND 2016**

UNAUDITED

NOTICE TO READER

NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated 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 condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements.

EVRIM RESOURCES CORP.

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EVRIM RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	<i>Note</i>	September 30, 2017	December 31, 2016
Assets			
Current assets			
Cash and cash equivalents		\$ 4,270,403	\$ 1,494,244
Marketable securities	5	50,000	-
Amounts receivable	6, 13	77,191	64,762
Prepaid expenses and deposits		20,868	12,633
		4,418,462	1,571,639
Non-current assets			
Prepaid rent deposit	11	11,208	11,208
Equipment	7	40,204	28,260
Reclamation bond	8	30,500	20,000
		\$ 4,500,374	\$ 1,631,107
Liabilities and Shareholders' Equity			
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	9	\$ 148,034	\$ 67,271
Joint venture partner deposits		425,724	-
		573,758	67,271
Non-current liabilities			
Provision for environmental rehabilitation	10	27,819	27,919
		601,577	95,190
Shareholders' Equity			
Issued capital	12	16,081,722	12,314,112
Contributed surplus		342,498	16,851
Accumulated deficit		(12,525,423)	(10,795,046)
		3,898,797	1,535,917
		\$ 4,500,374	\$ 1,631,107

Approved and authorized for issue by the Board on November 24, 2017

Paul van Eeden
Director

David A. Caulfield
Director

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

EVRIM RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND
COMPREHENSIVE LOSS

Nine Months Ended September 30,
(Expressed in Canadian Dollars)

Mineral Property Operations	<i>Note</i>	Three months ended September 30,		Nine months ended September 30,	
		2017	2016	2017	2016
Revenue					
Option proceeds		\$ 50,000	\$ -	\$ 116,675	\$ 64,135
Project management fees		46,468	-	46,468	5,090
		96,468	-	163,143	69,225
Expenses					
Acquisition expenditures		(17,694)	52,882	83,393	57,214
Exploration expenditures		1,176,114	240,917	1,632,914	562,611
Government grant		(153,000)	-	(153,000)	-
Exploration reimbursements		(889,945)	-	(889,945)	(50,902)
		115,475	293,799	673,362	568,923
Loss from mineral property operations		(19,007)	(293,799)	(510,219)	(499,698)
Other operations					
Interest and other revenue		8,917	21,801	21,513	34,370
Expenses					
Accounting and legal		51,730	3,198	118,346	69,897
Depreciation		4,951	7,121	11,679	15,664
Foreign exchange loss		72,497	8,633	169,797	8,125
General and administrative		49,504	34,496	146,227	128,935
Investor services		4,019	1,894	21,134	16,499
Management and professional fees		29,500	28,500	86,500	85,500
Marketing services		15,207	1,856	34,479	17,689
Salaries and support services		236,452	176,824	576,410	504,843
Travel		16,296	32,521	77,099	69,774
		480,156	295,043	1,241,671	916,876
Loss from other operations		(471,239)	(273,242)	(1,220,158)	(882,506)
Net loss and comprehensive loss for the period		\$ (490,246)	\$ (567,041)	\$ (1,730,377)	\$ (1,382,204)
Basic and diluted loss per share		\$ (0.01)	\$ (0.01)	\$ (0.03)	\$ (0.03)
Weighted average number of common shares outstanding		65,632,795	50,863,651	59,474,226	50,643,944

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

EVRIM RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
 Nine Months Ended September 30,
 (Expressed in Canadian Dollars)

	2017	2016
Cash flows used in operating activities		
Net loss	\$ (1,730,377)	\$ (1,382,204)
Add (deduct) items not involving cash:		
Depreciation	11,679	15,664
Shares received for option proceeds	(50,000)	-
Shares issued for mineral property interest	32,250	-
Unrealized foreign exchange loss (gain)	84,864	(9,655)
	(1,651,584)	(1,376,195)
Net change in non-cash working capital balances related to operations:		
Amounts receivable	(12,429)	(11,962)
Prepaid expenses and deposits	(8,235)	8,004
Accounts payable and accrued liabilities	80,763	(87,067)
Joint venture partner deposits	425,724	(123,291)
Net cash flow used in operating activities	(1,165,761)	(1,590,511)
Cash flows used in investing activities		
Refund/(placement) of reclamation bond	(10,500)	12,456
Purchase of equipment	(23,623)	(24,734)
Net cash flow used in investing activities	(34,123)	(12,278)
Cash flows provided by financing activities		
Proceeds from issuance of shares	4,304,928	-
Proceeds from exercise of warrants	540	81,382
Payment of share issue costs	(244,461)	(1,388)
Net cash flow provided by financing activities	4,061,007	79,994
Effects of foreign currency translation on cash and cash equivalents	(84,964)	10,008
Increase (decrease) in cash and cash equivalents	2,776,159	(1,512,787)
Cash and cash equivalents, beginning of year	1,494,244	3,391,951
Cash and cash equivalents, end of the period	\$ 4,270,403	\$ 1,879,164
Cash and cash equivalents are comprised of:		
Cash	\$ 1,002,919	\$ 341,436
Cash restricted for exploration	425,724	-
Short-term money market instruments	2,841,760	1,537,728
	\$ 4,270,403	\$ 1,879,164
Supplemental cash flow information:		
Income taxes paid	\$ -	\$ -
Interest received	\$ 24,598	\$ 28,657

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

EVRIM RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN
SHAREHOLDERS' EQUITY

Nine Months Ended September 30, 2017 and 2016,
(Expressed in Canadian Dollars)

	Issued capital		Contributed surplus	Accumulated deficit	Shareholders' equity
	Shares	Amount			
Balance, December 31, 2015	50,484,802	\$ 12,193,992	\$ 56,581	\$ (8,956,016)	\$ 3,294,557
Share issue costs	-	(1,388)	-	-	(1,388)
Exercise of Warrants	678,180	121,112	(39,730)	-	81,382
Loss and comprehensive loss	-	-	-	(1,382,204)	(1,382,204)
Balance, September 30, 2016	51,162,982	\$ 12,313,716	\$ 16,851	\$ (10,338,220)	\$ 1,992,347
Balance, December 31, 2016	51,166,282	\$ 12,314,112	\$ 16,851	\$ (10,795,046)	\$ 1,535,917
Shares issued for cash	14,349,760	4,017,933	286,995	-	4,304,928
Exercise of Warrants	4,500	826	(286)	-	540
Payment of share issue costs	-	(283,399)	38,938	-	(244,461)
Mineral property acquisition costs	125,000	32,250	-	-	32,250
Loss and comprehensive loss	-	-	-	(1,730,377)	(1,730,377)
Balance, September 30, 2017	65,645,542	\$ 16,081,722	\$ 342,498	\$ (12,525,423)	\$ 3,898,797

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

EVRIIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Evrim Resources Corp. (the “Company” or “Evrim”) is a mineral exploration company. Evrim’s business plan involves generating a portfolio of prospective mineral properties and advancing exploration targets through option and joint venture agreements with industry partners to create shareholder value.

Evrim is a publicly listed company incorporated in Canada with limited liability under the legislation of the Province of British Columbia. The Company’s shares are listed on the TSX Venture Exchange under the symbol EVM.

The head office, principal registered and records office of the Company are located at 910 - 850 West Hastings Street, Vancouver, British Columbia, Canada, V6C 1E1.

These condensed interim statements have been prepared on the basis that the Company is a going concern, which assumes that the Company will be able to continue in operations and contemplates the realization of its assets and the settlement of its liabilities in the normal course of operations. However, the Company has no significant source of recurring revenue, has experienced recurring losses over the past several fiscal years (2016 - \$1,839,030; 2015 - \$2,091,051) and has an accumulated deficit as at September 30, 2017, of \$12,525,423 (December 31, 2016 - \$10,795,046).

The Company’s ability to continue as a going concern is dependent on the Company’s ability to obtain additional debt or equity financing to successfully advance the exploration and development of mineral property interests in its exploration portfolio and to be able to derive material proceeds from the sale or divestiture of those properties and/or other assets, such as sale proceeds, royalty rights and equity interests. These condensed interim consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements were prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements.

Except for cash flow information and financial instruments measured at fair value, these condensed interim consolidated financial statements were prepared on a historical cost basis using the accrual basis of accounting.

EVRIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed interim consolidated financial statements are set out below. These policies have been applied consistently by the Company and its subsidiaries to all periods presented and during the most recent fiscal year. Please refer to the annual audited financial statements for the year ended December 31, 2016 for a complete summary of significant accounting policies.

(a) Basis of consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its subsidiaries (Evrin Exploration Canada Corp. (“EEC”), Evrim Resources USA Inc. (“Evrin US”), Minera Evrim S.A. de C.V. (“Minera”), Servicios Mineros Orotac S.A de C.V. (“SMO”) and 1124798 B.C. Ltd.). Control is based on whether an investor has power over the investee and the ability to use its power over the investee to affect the amount of the returns. The financial statements of subsidiaries are included in the condensed interim consolidated financial statements from the date that control commenced until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

	Place of incorporation	Proportion of ownership interest September 30, 2017 and December 31, 2016	Principal activity
Evrin Exploration Canada Corp.	British Columbia	100%	Mineral exploration
Minera Evrim S.A de C.V.	Sonora, Mexico	100%	Mineral exploration
Servicios Mineros Orotac S.A de C.V.	Sonora, Mexico	100%	Service company
Evrin Resources USA Inc.	Nevada, USA	100%	Mineral exploration
1124798 B.C. Ltd	British Columbia	100%	Mineral exploration

(b) Use of estimates

The preparation of condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

EVRIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

(c) Presentation and functional currency

The Company's presentation currency is the Canadian Dollar. The functional currency of Evrim and its subsidiaries is the Canadian Dollar.

(d) Accounting standards issued but not yet effective

The following accounting standards are issued but not yet effective. The Company has not early-adopted these revised standards and expects no significant effect on the Company's condensed interim consolidated financial statements when adopted.

IFRS 9 *Financial Instruments*

IFRS 9 includes requirements for recognition, measurement, and derecognition of financial instruments and hedge accounting. The IASB is adding to the standard as it completes the various phases of its comprehensive project on financial instruments, and so it will eventually form a complete replacement for IAS 39 *Financial Instruments: Recognition and Measurement*.

IFRS 9 was originally issued in November 2009, reissued in October 2010, and then amended in November 2013. The current version of IFRS 9 is applicable to annual periods beginning on or after January 1, 2018.

IFRS 15 *Revenue from Contracts with Customers*

This new standard establishes a comprehensive framework for the recognition, measurement and disclosure of revenue replacing IAS 11 *Construction Contracts*, IAS 18 *Revenue*, IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfers of Assets from Customers* and SIC-31 *Revenue — Barter Transactions Involving Advertising Services*. The main features introduced by this new standard compared with predecessor IFRS are revenue is recognized based on a five-step model, and new disclosure requirements on information about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers will be required.

The standard was issued in May 2014 and is effective for annual periods beginning on or after January 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*. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019.

EVRIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

4. CAPITAL MANAGEMENT

The capital structure of the Company consists of equity attributable to common shareholders comprising issued capital, contributed surplus and accumulated deficit. The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern and enable it to provide shareholder returns and benefits for all stakeholders in the development of its mineral property interests. These objectives remain unchanged from previous years.

The Company manages and adjusts its capital structure in response to changes in the risk characteristics of its underlying assets and/or changes in economic conditions. To maintain or adjust the capital structure, the Company may issue new shares or other equity instruments. The Company is not subject to externally imposed capital requirements.

5. MARKETABLE SECURITIES

The Company received from Harvest Gold Corporation ("Harvest") one million common shares upon signing of the option agreement for the Cerro Cascaron property (Note 7). The fair value of the shares as at the date of issue and the period ended September 30, 2017 was \$50,000.

6. AMOUNTS RECEIVABLE

Amounts receivable is comprised of the following:

	September 30, 2017	December 31, 2016
Trade receivables	\$ 50,025	\$ 16,670
Other receivables	10,366	13,452
Current tax receivable	16,800	34,640
	<u>\$ 77,191</u>	<u>\$ 64,762</u>

All receivables are current (less than 30 days). No allowance for doubtful accounts or impairment has been recognized for these amounts, as the amounts are all considered recoverable.

EVRIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
 Nine Months Ended September 30, 2017 and 2016
 (Expressed in Canadian Dollars)

7. EQUIPMENT

	Computer equipment and software	Field equipment	Leasehold improvements	Mobile equipment	Office equipment and furniture	Total
Cost						
Balance as at December 31, 2015	\$ 105,902	\$ 21,432	\$ 16,995	\$ 42,168	\$ 23,636	\$ 210,133
Acquisitions	22,271	4,241	-	-	-	26,512
Disposals	-	-	-	(12,500)	-	(12,500)
Balance as at December 31, 2016	128,173	25,673	16,995	29,668	23,636	224,145
Acquisitions	23,623	-	-	-	-	23,623
Balance as at September 30, 2017	\$ 151,796	\$ 25,673	\$ 16,995	\$ 29,668	\$ 23,636	\$ 247,768
Accumulated depreciation						
Balance as at December 31, 2015	\$ (100,320)	\$ (17,506)	\$ (12,687)	\$ (38,820)	\$ (20,748)	\$ (190,081)
Depreciation	(12,177)	(1,481)	(719)	(1,004)	(579)	(15,960)
Disposals	-	-	-	10,156	-	10,156
Balance as at December 31, 2016	(112,497)	(18,987)	(13,406)	(29,668)	(21,327)	(195,885)
Depreciation	(9,881)	(1,003)	(449)	-	(346)	(11,679)
Balance as at September 30, 2017	\$ (122,378)	\$ (19,990)	\$ (13,855)	\$ (29,668)	\$ (21,673)	\$ (207,564)
Carrying amounts						
December 31, 2015	\$ 5,582	\$ 3,926	\$ 4,308	\$ 3,348	\$ 2,888	\$ 20,052
December 31, 2016	\$ 15,676	\$ 6,686	\$ 3,589	\$ -	\$ 2,309	\$ 28,260
September 30, 2017	\$ 29,418	\$ 5,683	\$ 3,140	\$ -	\$ 1,963	\$ 40,204

Method of depreciation is described in Note 3 (k) to the audited financial statements for the years ended December 31, 2016 and 2015.

EVRIIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS

Exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable operations. Many of the Company's mineral property interests are located outside of Canada and are subject to the risks associated with foreign investment, including increases in taxes and royalties, renegotiations of contracts, currency exchange fluctuations and political uncertainty. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements. These risks are not unique to foreign jurisdictions and apply equally to the Company's property interests in Canada.

Mexico Portfolio

In an agreement dated September 17, 2010, Evrim acquired the Mexican operations of Kiska Metals Corporation, now AuRico Metals Inc. ("AuRico") by issuing 2,000,000 common shares to AuRico. Under the terms of the agreement, the Company is required to complete the following for each mineral property that is being actively explored:

- (a) On each anniversary until September 17, 2015, either:
 - (i) issue 10,000 common shares per project; or
 - (ii) issue 50,000 common shares per project
 - 1. that is subject to a valid, binding and continuing option, earn-in or joint venture with a third party; or
 - 2. on which the Company has expended an aggregate of at least \$2,500,000 in exploration expenditures (which, for greater certainty excludes acquisition and holding expenditures, and any exploration expenditures expended by or for the benefit of third parties to the Company under options, earn-ins or joint ventures);
- (b) at any time, upon:
 - (i) the sale of at least a 51% interest in a project for at least \$5,000,000 in consideration; or
 - (ii) the exercise of an option or earn-in to acquire at least a 51% interest in and to a project

the Company will issue 250,000 common shares and at the election of the Company, either pay \$250,000 cash or issue an additional 250,000 common shares; and

- (c) at any time, upon the announcement of a decision to put a project into commercial production based on a positive feasibility study, the Company will issue 1,000,000 common shares.

EVRIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS, CONTINUED

Mexico Portfolio, continued

The Company acquired an interest in nine exploration projects in Sonora, Durango and Sinaloa states in Mexico. The nine projects are subject to a 2% net smelter royalty (“NSR”) held by Mining Royalties Mexico S.A. de C.V. As of September 30, 2017, the Company is maintaining one of the nine projects acquired.

The Company’s Mexican portfolio includes the following properties, most of which are located near Hermosillo in Sonora State:

Ermitaño

In January, 2014, the Company entered in to an agreement with SilverCrest Mines Inc., now First Majestic Silver Corp. (“First Majestic”), whereby First Majestic can earn a 100% interest in the Ermitaño property. To earn a 100% interest, First Majestic must make an initial payment of US\$75,000 and annual payments of US\$50,000 at each anniversary of the agreement, complete a minimum of US\$500,000 in exploration expenditures in the first year, and deliver a production notice specifying mine and construction plans with accompanying permits and economic forecast model before the end of the fifth anniversary of the agreement. Upon vesting, First Majestic will no longer be required to make the annual payments and Evrim will retain a 2% NSR. Ermitaño is located northeast of Hermosillo.

Cumobabi

In October, 2014, the Company entered into an agreement with SilverCrest Mines Inc., now First Majestic, whereby First Majestic can earn a 100% interest in the Cumobabi property. To earn a 100% interest, First Majestic must make an initial payment of US\$75,000 and annual payments of US\$50,000 at each anniversary of the agreement, complete a minimum of US\$500,000 in exploration expenditures in the first year, and deliver a production notice specifying mine and construction plans with accompanying permits and an economic forecast model before the end of the fifth anniversary of the agreement. Upon vesting, First Majestic will no longer be required to make the annual payments and Evrim will retain a 1.5% NSR. Cumobabi is located northeast of Hermosillo.

In September, 2014, the Company amended the agreement with AuRico regarding the share payment structure for Cumobabi. The Company will issue 50,000 shares to AuRico on each of September 17, 2014 and 2015 (issued), 25,000 shares on each of September 17, 2017 (issued) and 2018 and 50,000 shares on September 17, 2019. In the event the property is put into commercial production (in which case it is acknowledged that the Company will receive an NSR in accordance with the terms of the First Majestic option agreement), Evrim will pay to AuRico one-third of all amounts Evrim receives under the NSR commencing on the date that is two years following the date on which the property commenced commercial production (as defined pursuant to the terms of the agreement governing the NSR).

EVIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS, CONTINUED

Mexico Portfolio, continued

Sarape

In August 2017, the Company announced the acquisition of the Sarape gold-silver project in central Sonora, Mexico. Sarape was identified through Evrim's generative programs with reconnaissance exploration completed in early 2017. The project is 100% owned by Evrim with no underlying royalties and is located near excellent infrastructure with roads and power crossing the 5,776 hectare property.

Cerro Cascaron

In January 2016, the Company acquired the Cerro Cascaron project in Chihuahua, Mexico. The project covers a historic colonial-era mining district that contains numerous gold and gold-silver prospects. The core claims contain a large portion of the Serpiente Dorada zone, which was staked by the Company in late 2015. Three surrounding claims were acquired under two separate agreements with a third party. In July 2016, the two agreements were consolidated. Under the terms of the consolidated agreement, the Company will pay \$280,000 over a five-year period to acquire a 100% interest. The agreement is subject to a 2% NSR of which 1% can be purchased for US\$2.5 million.

Harvest gold option agreement

In June 2017, the Company entered in to an agreement with Harvest, whereby Harvest can earn up to 80% interest of the Cerro Cascaron property. To earn 70% interest ("Initial interest") Harvest must incur \$6 million in exploration expenditures, pay \$900,000 in cash and issue 2 million shares over four year period (1 million shares received). To earn additional 10% interest, Harvest has to make a cash payment of \$200,000 (or 200,000 shares at Evrim's election) and fund a National Instrument 43-101 compliant feasibility study over a five year period. Minimum annual exploration expenditures of \$2 million are required during this period and a \$200,000 cash payment has to be made to Evrim if the minimum expenditures are not met during any given year.

During the Initial Interest period, Harvest can defer exploration expenditures at the end of the first, second or third anniversary for 12 months by making quarterly cash payments of \$25,000 to Evrim and maintaining all other cash payments and claim maintenance costs.

If Evrim's interest in Cerro Cascaron is diluted to 10% or less, its interest will convert into a 2% NSR. Evrim will retain the right to purchase half of a pre-existing 2% NSR from a property vendor for US\$2.5 million. Harvest will be responsible for all other claim maintenance and underlying vendor costs.

EVRIM RESOURCES CORP.

Notes to the Condensed interim consolidated financial statements
Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS, CONTINUED

Callinan Royalties Corp. Alliance, now Altius Minerals Corp. (“Altius”)

Effective December 18, 2012, the Company signed an agreement with Altius for a four-year, \$1.5 million, regional exploration alliance. The alliance initially focused on generating gold and silver targets within a 40,000 square kilometre area of interest (“AOI”) in prospective mineral belts with a firm commitment of \$500,000 in year one (paid). Evrim conducted generative exploration within the AOI to stake and acquire new projects (the “Projects”) and develop the Projects for joint venture purposes. Projects acquired within the AOI during the term of the alliance were 100% owned by Evrim and subject to a 1.5% NSR in the case of precious metals and a 1.0% NSR in the case of base metals to Altius. Altius has the right of first offer on the sale of any alliance Project royalties owned by Evrim.

Llano del Nogal, is located northeast of Hermosillo. The property is subject to the regional exploration alliance with Altius.

Canada

Ball Creek Property

In June 2015, the Company acquired a 100% interest in the Ball Creek property from Paget Minerals Corp. (“Paget”), subject to a 2% NSR with an option to buy back 1% of the NSR for \$1 million.

To earn a 100% interest, the Company is required to make the following payments:

- (a) \$150,000 upon closing of the agreement (paid);
- (b) If the Company enters into an option agreement whereby the Company would receive payments related to the property at any time within the four years following the date of the agreement, the Company will be required to pay additional consideration of 40% of payments received during the first year, 30% of payments received during the second year, 20% of payments received during the third year and 10% of payments received during the fourth year; and
- (c) Milestone share payments (or cash equivalent at the Company’s election) of:
 - (i.) 100,000 shares upon entering into a future option agreement (issued);
 - (ii.) 250,000 shares upon completion of 10,000 metres of drilling;
 - (iii.) 400,000 shares upon announcement of a measured or indicated mineral resource estimate (National Instrument 43-101 compliant) of at least 500 million tonnes at a grade of at least 0.50% copper equivalent; and
 - (iv.) 500,000 shares on the completion of a National Instrument 43-101 compliant feasibility study.

The property is located in northwest British Columbia. Both Evrim and Paget are each entitled to 50% of the existing bond in place, with Evrim’s share being \$20,000 (2015 - \$20,000).

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8. MINERAL PROPERTY INTERESTS, CONTINUED

Antofagasta agreement

In May 2017, the Company entered into an agreement with a wholly own subsidiary of Antofagasta Plc. ("Antofagasta"), whereby Antofagasta can earn up to a 70% interest in the property by spending up to an aggregate of US\$31 million or delivering a prefeasibility study.

Antofagasta can earn an initial 51% interest ("Initial Interest") by spending US\$6 million over a six year period. Once Antofagasta has earned its Initial Interest, it may elect to earn an additional 19% interest ("Additional Interest") by spending either US\$25 million or completing a prefeasibility study (with expenditures capped at US\$25 million), over a seven year period. If Antofagasta elects not to earn the Additional Interest, it will transfer a 1.01% interest to Evrim in exchange for a 0.25% NSR, and Evrim will regain a controlling interest in Ball Creek. Evrim will be the operator on the Ball Creek property during the Initial Interest phase.

Axe Property

In December 2016, the Company acquired a 100% interest in the Axe property from Liberty Leaf Holdings Ltd. ("Liberty Leaf") and Bearclaw Capital Corp. ("Bearclaw"), subject to a 1% NSR covering 21 claims with an option to buy back the NSR for \$1.5 million and a 2% NSR on four separate claims with an option to buy back 1% for \$1 million and the remaining 1% for \$2 million.

To earn a 100% interest, the Company is required to make the following payments:

- (a) \$30,000 (\$21,000 to Liberty Leaf and \$9,000 to Bearclaw) upon closing of the agreement (paid);
- (b) If the Company enters into an option agreement whereby the Company would receive payments related to the property at any time within the four years following the date of the agreement, the Company will be required to pay additional consideration of 40% of payments received during the first year, 30% of payments received during the second year, 20% of payments received during the third year and 10% of payments received during the fourth year; and
- (c) Milestone share payments (or cash equivalent at the Company's election) of:
 - (i.) 75,000 shares upon entering into a future option agreement;
 - (ii.) 75,000 shares upon entering in to a future agreement to drill 5,000 metres;
 - (iii.) 200,000 shares upon announcement of a measured or indicated mineral resource estimate (National Instrument 43-101 compliant) of at least 500 million tonnes at a grade of at least 0.40% copper equivalent; and
 - (iv.) 250,000 shares on the completion of a National Instrument 43-101 compliant feasibility study.

The property is located in south-central British Columbia. Evrim has placed a reclamation bond in the amount of \$10,500.

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8. MINERAL PROPERTY INTERESTS, CONTINUED

Newmont Alliance

In July, 2017, the Company announced signing of a two-year exploration alliance with Newmont Mining Corporation ("Newmont"). The Alliance will focus on generating Greenfield exploration opportunities in terranes favorable for world-class gold orebodies. Evrim and Newmont will co-fund the US\$1,840,000 exploration program through a respective 30:70 allocation.

During the initial phase of the program, Evrim will undertake project identification, sampling and reconnaissance mapping with technical input from Newmont. The program will be further advanced by regional database compilation and target area geochemistry including Newmont's proprietary bulk leach extractable gold ("BLEG") analysis. The second year program will be dependent on results obtained during the initial phase along with follow-up mapping and sampling.

At the end of the two-year alliance period, Newmont will have the right to designate one or more projects for option by making certain cash payments to Evrim and funding exploration on the project(s) for up to ten years, or until such time as it has defined a National Instrument 43-101 compliant pre-feasibility study on a minimum two million ounce gold resource. Newmont will then have increased their ownership in the designated project to 80%. Evrim will be the operator for the initial US\$5 million in exploration expenditures.

Evrin and Newmont will then form a joint venture on a respective 20:80 basis whereby Evrim can maintain its equity interest in the project, or elect to have Newmont fund a positive NI 43-101 compliant feasibility study and reduce Evrim's equity interest to 15%. At any point after the Alliance period, Evrim can elect to converted its equity interest in any project to a 2% NSR of which 0.5% NSR can be purchased for up to US\$10 million.

Government Grant

During the period the Company received a government grant of \$153,000 which was set off against its generative exploration work.

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8. MINERAL PROPERTY INTERESTS, CONTINUED

Exploration Expenditures

During the nine months ended September 30, 2017 and 2016, the Company incurred the following exploration expenditures that were expensed as incurred:

	Nine Months Ended September 30,	
	2017	2016
Air Support	\$ 405,384	\$ 23,640
Camp support	180,265	49,728
Chemical analysis	105,618	33,297
Data management and maps	63,333	22,570
Geological services	703,204	322,159
Geophysical surveys	-	27,124
Materials and supplies	11,526	8,180
Recording and filing	93,370	29,255
Travel	70,214	46,658
	<u>\$ 1,632,914</u>	<u>\$ 562,611</u>

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2017		December 31, 2016	
Trade payables	\$	109,496	\$	31,680
Accrued liabilities		38,538		27,214
	<u>\$</u>	<u>148,034</u>	<u>\$</u>	<u>58,894</u>

The average credit period of purchases is one month. The Company has financial risk management policies in place to ensure that all payables are paid within the agreed-upon credit terms.

10. PROVISION FOR ENVIRONMENTAL REHABILITATION

The Company's exploration activities are subject to various federal, provincial and state laws and regulations governing the protection of the environment. Management's current estimate of reclamation and other future site restoration costs to be incurred for existing mineral property interests has been included in these condensed interim consolidated financial statements as provision for environmental rehabilitation. The undiscounted amount of the estimated cash flows required to settle the obligations, which are expected to be paid over the next four years, is \$27,819 (December 2016 - \$27,919).

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10. PROVISION FOR ENVIRONMENTAL REHABILITATION, CONTINUED

Balance, December 31, 2015	\$	27,496
Reclamation refund		423
Balance, December 31, 2016		27,919
Foreign exchange difference		(100)
Balance, September 30, 2017	\$	27,819

11. COMMITMENTS

On November 25, 2013, the Company signed a lease for its head office located at 910 - 850 West Hastings Street, Vancouver, British Columbia, effective March 1, 2014 to February 28, 2020. This lease is classified as an operating lease. The Company has made a security deposit equivalent to two months' rent. At September 30, 2017, the Company has future minimum annual lease commitments as follows:

	Less than one year	One to five years
Lease payment	\$ 39,757	\$ 57,001
Operating costs (estimate)	42,899	65,759
Total	\$ 82,656	\$ 122,760

12. ISSUED CAPITAL

(a) Authorized and issued

The Company's authorized share capital is an unlimited number of common shares without par value and preferred shares without par value.

Issuance of common shares

On May 17, 2017, the Company issued 100,000 common shares to Paget pursuant to the Ball Creek agreement upon completion of the definitive agreement with Antofagasta.

On September 17, 2017, the Company issued 25,000 common shares to AuRico pursuant to the amended Cumobabi agreement.

Financing

On May 19, 2017, the Company completed a non-brokered private placement issuing 14,349,760 common shares for gross proceeds of \$4,304,928. The placement was a unit offering where each unit consisted of one common share and one-half non-transferable share purchase warrant. Each full warrant is exercisable into one common share at a price of \$0.50 for three years from the closing date.

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12. ISSUED CAPITAL, CONTINUED

Financing, continued

Part of the financing was subject to finder's fees of 6% cash commission and 6% finder's warrants. Each finder warrant will be exercisable into one common share at a price of \$0.30 for 18 months from the closing date. The Company incurred \$169,711 cash finder's fees, \$74,750 for regulatory and other related fees and issued 565,704 finder's fees warrants. Fair value of the finder's warrants issued was \$38,938. The weighted average grant-date fair value of the finder's warrants granted was \$0.058 per share. The Company determines the fair value of the finder's warrants for the purposes of determining compensation expense using the Black-Scholes option pricing model and used the following weighted average assumptions: volatility of 85.85%, risk-free interest rate of 0.66%, an expected life of 1.5 years, and a dividend yield of 0%. Volatility was estimated using historical prices of the Company's shares.

No shares were issued during the nine months ended September 30, 2016.

(b) Incentive stock options

The Company has a fixed number stock option plan that permits the Company to issue up to 1,000,000 options to purchase common shares. The purpose of the plan is to permit one-time grants of options to new directors of the Company at the time they are elected or appointed to fill a vacancy on the board (please refer Note 16).

Changes in share purchase options during the period ended September 30, 2017 and 2016:

	September 30, 2017		September 30, 2016	
	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price
Outstanding at beginning of the year	100,000	\$ 0.18	100,000	\$ 0.18
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/Expired	-	-	-	-
Outstanding at end of the period	100,000	\$ 0.18	100,000	\$ 0.18
Options exercisable at end of the period	100,000	\$ 0.18	100,000	\$ 0.18

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12. ISSUED CAPITAL, CONTINUED

The following share purchase options were outstanding at September 30, 2017.

Expiry date	Options outstanding (number of shares)	Options exercisable (number of shares)	Exercise price	Weighted average remaining life
May 13, 2020	100,000	100,000	\$ 0.18	3.12

The Company did not issue any options during the nine months ended September 30, 2017 and 2016.

(c) Warrants

Share purchase warrants outstanding at September 30, 2017 and 2016 are as follows:

Exercise price	Expiry date	Balance December 31, 2016	Issued during the period	Exercised during the period	Balance September 30, 2017
\$0.12	December 16, 2017	7,200		(4,500)	2,700
\$0.25	December 16, 2020 ⁽ⁱ⁾	12,568,800		-	12,568,800
\$0.50	May 19, 2020	-	7,174,880	-	7,174,880
\$0.30	November 19, 2018	-	565,704	-	565,704
		12,576,000	7,740,584	(4,500)	20,312,084
Weighted average exercise price		\$0.25	0.49	0.12	\$0.34
Weighted average remaining life		3.96			3.20

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12. ISSUED CAPITAL, CONTINUED

(c) Warrants, continued

Exercise price	Expiry date	Balance December 31, 2015	Exercised during the period	Balance September 30, 2016
\$0.12	December 16, 2017	688,680	(678,180)	10,500
\$0.25	December 16, 2020 ⁽ⁱ⁾	12,568,800	-	12,568,800
		13,257,480	(678,180)	12,579,300
Weighted average exercise price		\$0.24	\$0.12	\$0.25
Weighted average remaining life		4.81		4.21

- (i) If the shares of the Company trade higher than \$0.35 for 20 consecutive trading days after the four-month holding period, the exercise of these warrants may be accelerated to the date that is 20 days after the 20th consecutive trading day.

13. RELATED PARTY TRANSACTIONS

Transactions between the Company and related parties are disclosed below.

(a) Due to related parties

At September 30, 2017, accounts payable included \$ 1,050 (September 30, 2016 - \$Nil) due to related parties.

(b) Transactions involving related parties

Effective March 1, 2016, the Company entered into an agreement with Mirasol Resources Ltd. to share CFO services, office administration support services and office sharing. Evrim received \$114,818 during the nine months ended September 30, 2017 (September 30, 2016 - \$91,630), which was set off against the related costs. At September 30, 2017, \$13,691 (September 30, 2016 - \$Nil) included in the accounts receivable.

During the nine months ended September 30, 2017, the Company paid \$14,217 (September 30, 2016 – \$3,358) for community engagement services to a company with two directors in common.

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13. RELATED PARTY TRANSACTIONS, CONTINUED

(c) Compensation of key management personnel

The remuneration paid to directors and other key management personnel during the three and nine months ended September 30, 2017 and 2016 were as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Salaries of senior executives ⁽ⁱ⁾	\$ 170,000	\$ 129,000	\$ 470,833	\$ 365,333
Short term employee benefits ⁽ⁱⁱ⁾	7,642	3,568	20,774	11,219
Non-executive directors' fees	29,500	28,500	86,500	85,500
Relocation fees ⁽ⁱⁱⁱ⁾	-	-	-	10,000
	\$ 207,141	\$ 161,068	\$ 578,107	\$ 472,052

- (i) Senior executives include the Chief Executive Officer, Chief Financial Officer, Vice President, New Opportunities and Exploration, and Vice President, Technical Services.
- (ii) Key management personnel were not paid post-employment benefits or other long-term benefits during the period ended September 30, 2017 and 2016.
- (iii) Onetime payment was paid to relocate an executive of the Company.

14. SEGMENTED INFORMATION

During the nine months ended September 30, 2017 and year ended December 31, 2016, the Company operated in one industry segment: mineral exploration; within two geographic segments: Canada, and Mexico. The Company and all subsidiaries are operated as one entity with a common management located at the Company's head office. The Company's non-current assets by geographic areas for the nine months ended September 30, 2017 and the year ended December 31, 2016 are as follows:

September 30, 2017	Canada	Mexico	Total
Non-current assets			
Prepaid rent and deposits	\$ 11,208	\$ -	\$ 11,208
Equipment	30,162	10,041	40,204
Reclamation bond	30,500	-	30,500
	\$ 71,870	\$ 10,041	\$ 81,912

December 31, 2016	Canada	Mexico	Total
Non-current assets			
Prepaid rent and deposits	\$ 11,208	\$ -	\$ 11,208
Equipment	23,229	7,375	30,604
Reclamation bond	20,000	-	20,000
	\$ 54,437	\$ 7,375	\$ 61,812

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14. SEGMENTED INFORMATION, CONTINUED

The Company's mineral property revenues by geographic areas for the nine months ended September 30, 2017 are as follows:

	September 30, 2017		
	Canada	Mexico	Total
Revenues			
Property option proceeds	\$ -	116,675	116,675
Project management fees	33,824	12,644	46,468
	\$ 33,824	129,319	163,143

The Company's mineral property revenues for the nine months ended September 30, 2016 were earned in Mexico.

15. FINANCIAL RISK MANAGEMENT

(a) Fair value of financial instruments

The fair values of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities, and joint venture partner deposit approximate their carrying values due to the short-term to maturities of these financial instruments.

(b) Categories of financial instruments

	September 30, 2017	December 31, 2016
Financial assets		
<i>FVTPL</i>		
Cash and cash equivalents	\$ 4,270,403	\$ 1,494,244
Marketable securities	50,000	-
<i>Loans and receivables</i>		
Amounts receivable	60,391	30,122
	\$ 4,380,794	\$ 1,524,366
Financial liabilities		
<i>Other financial liabilities</i>		
Accounts payable and accrued liabilities	\$ 148,034	\$ 56,612
Joint Venture partner Deposits	425,724	-
	\$ 573,758	\$ 56,612

The Company's financial instruments are exposed to certain financial risks, which include foreign currency risk, interest rate risk, credit risk, liquidity risk and other price risk. The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company's exposure to these risks and its methods of managing the risks remain consistent.

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15. FINANCIAL RISK MANAGEMENT, CONTINUED

(c) Foreign currency risk

The Company incurs certain expenses in currencies other than the Canadian dollar. The Company is subject to foreign currency risk as a result of fluctuations in exchange rates. The Company manages this risk by maintaining bank accounts in US dollars and Mexican pesos ("MXN") to pay these foreign currency expenses as they arise. Receipts in foreign currencies are maintained in those currencies. The Company does not undertake currency hedging activities. The Company also does not attempt to hedge the net investment and equity of integrated foreign operations.

The carrying amount of the Company's foreign currency denominated monetary assets is as follows:

	September 30, 2017 (US*)	September 30, 2017 (MXN*)	December 31, 2016 (US*)	December 31, 2016 (MXN*)
Cash	\$ 1,612,393	\$ 13,161	\$ 25,774	\$ 2,636
Amounts receivable	-	13,671	-	-
Accounts payable and accrued liabilities	-	-	-	(19,315)
Net assets denominated in foreign currencies	\$ 1,612,393	\$ 26,832	\$ 25,774	\$ (16,679)

*Figures in this table are Canadian dollars, converted from the foreign currency, at the closing exchange rate for that date.

The Company uses a sensitivity analysis to measure the effect on total assets of reasonably foreseen changes in foreign exchange rates. The analysis is used to determine if these risks are material to the financial position of the Company. On the basis of current market conditions, the Company has determined that a 10% change in foreign exchange rates would affect the fair value of total assets by 4.3% (2015 – 0.5%).

The sensitivity of the Company's loss and comprehensive loss due to changes in the exchange rate between the Mexican peso and the Canadian dollar, and between the US dollar and the Canadian dollar are summarized in the tables below. The change, due to the effect of the exchange rate on financial instruments, is reported in the consolidated statements of loss and comprehensive loss as foreign exchange gains (losses).

Periods ended September 30,	2017		2016	
	10% Increase in MXN : CAD rate	10% Increase in USD : CAD rate	10% Increase in MXN : CAD rate	10% Increase in USD : CAD rate
Change in net loss and comprehensive loss	\$ 49,492	\$ 163,922	\$ 64,164	\$ 140

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15. FINANCIAL RISK MANAGEMENT, CONTINUED

(d) Interest rate risk

The Company's cash and cash equivalents consist of cash held in bank accounts and short-term investments that earn interest at a fixed interest rate. Future cash flows from interest income on cash and cash equivalents will be affected by declining cash balances. The Company manages interest rate risk by investing in short-term fixed interest financial instruments with varying maturity periods when feasible to provide access to funds as required. The effect of a 1% change in interest rates on comprehensive income based on the cash and cash equivalents at the end of each period would be 0.41%. Actual financial results for the coming year will vary since the balances of financial assets are expected to decline as funds are used for Company expenses.

(e) Credit risk

Credit risk is the risk of an unexpected loss if an exploration partner, counterparty or third party to a financial instrument fails to meet its contractual obligations. To reduce credit risk, cash and cash equivalents are on deposit at major financial institutions. The Company is not aware of any counterparty risk that could have an impact on the fair value of such investments. The carrying value of the financial assets represents the maximum credit exposure.

The Company minimizes credit risk by reviewing the credit risk of the counterparties to its arrangements on a periodic basis. The Company's concentration of credit risk and maximum exposure thereto is as follows:

	September 30, 2017	December 31, 2016
Short-term money market instruments	\$ 2,841,760	\$ 1,387,729
Cash bank accounts	1,428,643	106,515
Amounts receivable	60,391	30,122
Total	\$ 4,330,794	\$ 1,524,366

At September 30, 2017, the Company's short-term money market instruments were \$1,000,000, \$600,000 and US\$995,000 term deposits earning interest from 0.75% to 0.9% per annum and cashable at any time.

(f) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis, including exploration plans. The Company attempts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and holdings of cash and cash equivalents.

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15. FINANCIAL RISK MANAGEMENT, CONTINUED

(f) Liquidity risk, continued

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank-sponsored instruments. The Company staggers the maturity dates of its investments over different time periods when feasible to maximize interest earned. This strategy remains unchanged from prior years.

The following table summarizes the Company's significant liabilities and corresponding maturities.

Accounts Payable and Accrued Liabilities			
Due Date		September 30, 2017	December 31, 2016
0 – 90 days	\$	109,496	\$ 22,384
90 – 365 days		38,538	34,228
365 + days		-	-
Total	\$	148,034	\$ 56,612

(g) 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 and foreign currency risk. The Company currently maintains marketable securities (Note 5). There can be no assurance that the Company can exit these positions if required, resulting in proceeds approximating the carrying value of these securities.

16. SUBSEQUENT EVENT

The Company announced a new fixed incentive option plan ("Fixed Plan") to replace its long term cash bonus plan. The Fixed Plan allows the board of directors to grant up to an aggregate of 6,000,000 stock options of the Company to encourage equity participation among senior officers, employees, consultants and directors through the acquisition of Common shares of the Company.

The board of directors has approved the grant of 5,825,000 stock options to officers and employees of the Company at a price of \$0.25 per share for a period of five years. The options vest over a five year period for senior executives and three years for other employees. The grant of these stock options is subject to approval of the TSX Venture Exchange.