

REMO RESOURCES INC.

Consolidated Condensed Interim Financial Statements

Three and six months ended September 30, 2017 and 2016

Unaudited – Expressed in Canadian Dollars

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

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

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

Remo Resources Inc.
Consolidated Statements of Financial Position
Unaudited – Prepared by Management
In Canadian Dollars

	September 30, 2017 (Unaudited)	March 31, 2017 (Audited)
Assets		
Current Assets		
Cash	\$ 257,507	\$ 299,332
GST recoverable	1,081	528
Tax receivable (Note 4(c))	1,555	1,555
	260,143	301,415
Mineral property (Note 4(b))	6,101	6,101
TOTAL ASSETS	\$ 266,244	\$ 307,516
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 7,584	\$ 10,732
Shareholders' Equity		
Share capital (Note 5)	805,908	805,908
Reserves (Note 5)	138,641	138,641
Deficit	(685,889)	(647,765)
	258,660	296,784
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 266,244	\$ 307,516

Nature of Operations and Continuance of Business (Note 1)
Subsequent Event (Note 11)

Approved by the Board of Directors:

"Stephen Kenwood"

"Gary Freeman"

 Stephen Kenwood, Director

 Gary Freeman, Director

- See Accompanying Notes -

Remo Resources Inc.**Consolidated Interim Statements of Loss and Comprehensive Loss
For the Three and Six Months Ended September 30, 2017 and 2016***Unaudited – Prepared by Management
In Canadian Dollars*

	Three months ended September 30, 2017	Three months ended September 30, 2016	Six months ended September 30, 2017	Six months ended September 30, 2016
Expenses				
Audit and accounting (Note 7)	\$ 4,050	\$ 4,350	\$ 6,450	\$ 6,600
Exploration and evaluation costs (Note 4(c))	-	-	-	7,777
Filing and transfer agent fees	1,900	2,954	6,550	3,779
General and administrative (Note 7)	1,549	2,782	3,342	5,579
Legal	1,075	-	7,464	-
Transaction costs (Note 6)	5,318	-	14,318	-
Net loss and comprehensive loss for the period	\$ 13,892	\$ 10,086	\$ 38,124	\$ 23,735
Loss per share, basic and diluted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Weighted average shares outstanding	8,925,000	8,925,000	8,925,000	8,925,000

– See Accompanying Notes –

Remo Resources Inc.*(An Exploration Stage Company)***Consolidated Interim Statements of Cash Flows
For the Six Months Ended September 30, 2017 and 2016***Unaudited – Prepared by Management**In Canadian Dollars*

	2017	2016
<hr/>		
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (38,124)	\$ (23,735)
Changes in non-cash operating working capital:		
GST recoverable	(553)	(123)
Prepaid expense	-	2,512
Accounts payable and accrued liabilities	(3,148)	(7,500)
	<hr/> (41,825)	<hr/> (28,846)
Decrease in cash	(41,825)	(28,846)
Cash, beginning of period	299,332	343,467
Cash, end of period	<hr/> \$ 257,507	<hr/> \$ 314,621
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

There were no significant non-cash transactions excluded from the statement of cash flows for the six months ended September 30, 2017 and 2016.

- See Accompanying Notes -

Remo Resources Inc.*(An Exploration Stage Company)***Consolidated Interim Statements of Changes in Equity
For the Six Months Ended September 30, 2017 and 2016***Unaudited – Prepared by Management*

	Share Capital		Reserves		Deficit \$	Total \$
	Shares	Amount \$	Options \$	Warrants \$		
Balance, March 31, 2016 <i>(Audited)</i>	8,925,000	805,908	34,105	104,536	(599,836)	344,713
Net loss and comprehensive loss for the period	-	-	-	-	(23,735)	(23,735)
Balance, September 30, 2016 <i>(Unaudited)</i>	8,925,000	805,908	34,105	104,536	(623,571)	320,978
Net loss and comprehensive loss for the period	-	-	-	-	(24,194)	(24,194)
Balance, March 31, 2017 <i>(Audited)</i>	8,925,000	805,908	34,105	104,536	(647,765)	296,784
Net loss and comprehensive loss for the period	-	-	-	-	(38,124)	(38,124)
Balance, September 30, 2017 <i>(Unaudited)</i>	8,925,000	805,908	34,105	104,536	(685,889)	258,660

- See Accompanying Notes -

Remo Resources Inc.
(An Exploration Stage Company)

Notes to the Consolidated Condensed Interim Financial Statements

For the Six Months Ended September 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

1. Nature of Operations and Continuance of Business

Remo Resources Inc. (the “Company” or “Remo”) was incorporated on May 2, 2011, under the laws of the province of British Columbia, Canada, and changed its name from Hadrian Resources Inc. on August 4, 2011. Its principal activity is the acquisition and exploration of mineral properties in Canada. The head office, principal address and records office of the Company are located at 800 West Pender Street, Suite 1430, Vancouver, British Columbia, V6C 2V6, Canada.

These consolidated condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. Several conditions discussed below cast substantial doubt regarding this assumption. The Company has no operating revenue and has an accumulated deficit of \$685,889 as at September 30, 2017. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company will be required to curtail operations, exploration, and development activities and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

2. Basis of Presentation

a) Statement of compliance

These consolidated 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 the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

b) Basis of presentation

These consolidated 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 audited financial statements for the year ended March 31, 2017.

c) Basis of Consolidation

These consolidated condensed interim financial statements include the financial statements of the Company and its wholly-owned subsidiary, 1124467 B.C. Ltd., which was incorporated in British Columbia, Canada on June 26, 2017.

d) Approval of the Financial Statements

These consolidated condensed interim financial statements were approved and authorized for issue by the Board of Directors on November 29, 2017.

Remo Resources Inc.

(An Exploration Stage Company)

Notes to the Consolidated Condensed Interim Financial Statements

For the Six Months Ended September 30, 2017 and 2016

Unaudited – Prepared by Management

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2. Basis of Presentation - Continued

e) Critical accounting judgments and estimates

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year. Critical estimates used include, among others, the amounts recorded for the recoverability and impairment of mineral properties, valuation of share-based payments and provision for deferred income tax, including the effects of flow-through shares.

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 review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect of amounts recognized in the financial statements is included going concern assessment (Note 1).

f) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements.

These financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

3. Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by IASB. The following have not yet been adopted by the Company are being evaluated to determine their impact:

IFRS 9 Financial Instruments – New standard that replaces IAS 39, *Financial instruments: recognition and measurement*, for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

IFRS 15 Revenue from Contracts with Customers – New standard to establish principles for reporting nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers, effective for annual periods beginning on or after January 1, 2018.

IFRS 16 Leases – New standards to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

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In Canadian Dollars

4. Mineral Property

a) Adrian Property, British Columbia, Canada

The Company acquired the Adrian property, located in the British Columbia, consisting of 7 claims, through staking. Due to unfavourable market conditions, management has decided to drop four of the claims, therefore \$5,664 of the acquisition costs have been written down during the year ended March 31, 2016. The Company has incurred \$Nil (2016: \$7,777) in exploration expenditures on this property during the six months ended September 30, 2017.

b) Acquisition Costs

Details of acquisition costs incurred for the six months ended September 30, 2017 and for the year ended March 31, 2017 are as follows:

Adrian Property, British Columbia, Canada	September 30, 2017	March 31, 2017
Net book value	\$ 6,101	\$ 6,101

c) Mineral Exploration Costs

Details of exploration activities for the six months ended September 30, 2017 and the year ended March 31, 2017 are as follows:

Adrian Property, British Columbia, Canada	Six months ended September 30, 2017	Year ended March 31, 2017
Mineral exploration costs		
Camp and general	\$ -	\$ 7,777
Total mineral exploration costs – expensed	-	7,777
BCMETC *	-	(1,955)
Total mineral exploration costs – expensed	-	5,822
Mineral exploration costs – beginning of period	185,001	179,179
Mineral exploration costs - end of period	\$ 185,001	\$ 185,001

5. Shareholders' Equity

a) Authorized

Unlimited number of common shares without par value.

b) Issued Share Capital

8,925,000 common shares without par value.

There were no common shares issued during the six months ended September 30, 2017 and 2016.

Remo Resources Inc.*(An Exploration Stage Company)***Notes to the Consolidated Condensed Interim Financial Statements****For the Six Months Ended September 30, 2017 and 2016***Unaudited – Prepared by Management**In Canadian Dollars***5. Shareholders' Equity – Continued**

c) Reserves

The following is a summary of the reserves components relating to stock options and common share purchase warrants as at September 30, 2017 and March 31, 2017:

	September 30, 2017		March 31, 2017	
Options	\$	34,105	\$	34,105
Warrants		104,536		104,536
Total	\$	138,641	\$	138,641

d) Details of warrants activity for the six months ended September 30, 2017 and the year ended March 31, 2017 are as follows:

March 31, 2016	Issued	Exercised	March 31 and September 30, 2017	Exercise Price	Expiry Date
3,605,000	-	-	3,605,000	\$0.20	December 21, 2017

6. Proposed Transaction

During the six months ended September 30, 2017, the Company incurred \$10,318 (2016 - \$Nil) of transaction costs relating to a proposed transaction (Note 11).

7. Related Party Transactions

The Company's related parties and key management personnel are as follows:

	Relationship	Nature of Transactions
CDM Capital Partners Inc.	Partially owned and controlled by a former director of the Company	Accounting and Transaction Costs
VC Consulting Corp.	Owned and controlled by the CFO of the Company	Accounting

During the six months ended September 30, 2017, related party transactions and balances not disclosed elsewhere in these condensed interim financial statements are as follows:

- The Company incurred \$4,500 (2016: \$2,250) for accounting fees and \$4,000 (2016: \$Nil) for transaction costs to CDM Capital Partners Inc.
- The Company incurred \$900 (2016: \$1,950) for accounting fees to VC Consulting Corp.

Remo Resources Inc.*(An Exploration Stage Company)***Notes to the Consolidated Condensed Interim Financial Statements****For the Six Months Ended September 30, 2017 and 2016***Unaudited – Prepared by Management**In Canadian Dollars*

7. Related Party Transactions – Continued

The accounts payable and accrued liabilities of the Company as at September 30, 2017 and as at March 31, 2017 include the following amounts due to related parties:

	September 30, 2017	March 31, 2017
Key management personnel	\$ Nil	\$ 630

8. Financial Instruments

The classification of the financial instruments as well as their carrying values is shown in the table below:

Loans and receivables	\$	260,143
Financial liabilities measured at amortized cost	\$	7,584

a) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The fair value of cash is determined based on Level 1 inputs. As at September 30, 2017, the Company believes that the carrying value of its cash, GST recoverable, tax receivable, and accounts payable and accrued liabilities approximate their fair values because of nature and relatively short durations.

b) 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 currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year.

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(An Exploration Stage Company)

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8. Financial Instruments *(Continued)*

c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of share subscriptions receivable. Management is of the view that this amount is fully collectible.

d) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no interest-bearing debt. The Company's sensitivity to interest rates is minimal.

e) Foreign Currency Exchange Rate Risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

9. Segmented Information

The Company operates in one segment – the acquisition, exploration and development of mineral properties. As at September 30, 2017, all of the Company's operations and assets were in Canada.

10. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements as at September 30, 2017.

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11. Subsequent Event

On October 5, 2017, the Company signed an Amalgamation Agreement (the “Agreement”) with Chakana Copper Corp. (“Chakana”), a private British Columbia corporation, whereby the Company will acquire all of the outstanding shares of Chakana (the “Proposed Transaction”) in exchange for common shares of the Company. The Proposed Transaction will constitute a Reverse Takeover of the Company.

The Proposed Transaction will be effected by way of a three-cornered amalgamation without court approval under the Business Corporations Act (British Columbia), pursuant to which the Company will acquire, through the amalgamation of a newly incorporated British Columbia subsidiary of the Company with Chakana, all of the issued and outstanding shares of Chakana in exchange for post-consolidated common shares of the Company and Chakana will become a subsidiary of the Company.

Prior to the closing of the Proposed Transaction, The Company will consolidate its share capital on a basis of 6.834615 old shares for one new share and change its name to Chakana Copper Corp. or such other name as agreed by the parties. Pursuant to the Proposed Transaction, the shareholders of Chakana will receive one post-consolidated of the Company’s share for each Chakana share held at a deemed issue price of \$0.50 per share and all of the currently issued and outstanding share purchase warrants of the Company will be cancelled. As part of the Proposed Acquisition, Chakana completed a non-brokered private placement of common shares and subscription receipts for total gross proceeds of \$10,000,000.

Upon completion of the Proposed Transaction, all of the outstanding share purchase warrants of Chakana will cease to represent a right to acquire Chakana shares and will instead provide the right to acquire the Company’s shares, all in accordance with the adjustment provisions provided in the certificates representing the warrants. The Proposed Transaction is subject to, among other things, the receipt of the approval of the shareholders of Chakana, approval of the TSX Venture Exchange and standard closing conditions.