

SILVER VIPER MINERALS CORP.

**Consolidated Financial statements
(Expressed in Canadian Dollars)**

December 31, 2017

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Silver Viper Minerals Corp.

We have audited the accompanying consolidated financial statements of Silver Viper Minerals Corp., which comprise the consolidated statements of financial position as at December 31, 2017 and 2016 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended December 31, 2017 and the period from incorporation on April 26, 2016 to December 31, 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Silver Viper Minerals Corp. as at December 31, 2017 and 2016 and its financial performance and its cash flows for the year ended December 31, 2017 and the period from incorporation on April 26, 2016 to December 31, 2016 in accordance with International Financial Reporting Standards.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Professional Accountants

March 20, 2018

SILVER VIPER MINERALS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at
(Expressed in Canadian Dollars)

	December 31, 2017	December 31, 2016
ASSETS		
Current		
Cash	\$ 4,305,574	\$ 2,397,766
Taxes receivable	15,782	1,974
Prepaid expenses	39,859	-
	4,361,215	2,399,740
Taxes receivable	43,413	-
Exploration and evaluation assets (Note 4)	261,500	211,500
	\$ 4,666,128	\$ 2,611,240
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 198,724	\$ 1,139
Shareholders' equity		
Share capital (Note 5)	5,482,089	2,631,901
Deficit	(1,014,685)	(21,800)
	4,467,404	2,610,101
	\$ 4,666,128	\$ 2,611,240
Nature and continuance of operations (Note 1)		
Events after the reporting period (Note 12)		

Approved and authorized on behalf of the board on March 20, 2018:

<u>/s/ Steve Cope</u>	Director	<u>/s/ Ross Wilmot</u>	Director
Steve Cope		Ross Wilmot	

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

SILVER VIPER MINERALS CORP.**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

	Year ended December 31, 2017	Period from incorporation on April 26 to December 31, 2016
EXPLORATION EXPENSES		
Drilling	\$ 192,181	\$ -
General exploration	249,030	9,974
Geological (Note 8)	166,323	-
	<u>607,534</u>	<u>9,974</u>
GENERAL EXPENSES		
Consulting fees	94,000	-
Filing fees	65,061	-
Foreign exchange loss (gain)	8,294	(7,417)
Investor relations	25,339	-
Management fees (Note 8)	61,285	-
Office and administration	71,276	3,237
Professional fees	79,099	16,006
	<u>404,354</u>	<u>11,826</u>
Loss before other income	(1,011,888)	(21,800)
Interest income	<u>19,003</u>	<u>-</u>
Loss and comprehensive loss for the period	\$ (992,885)	\$ (21,800)
Basic and diluted loss per common share	\$ (0.03)	\$ (0.00)
Weighted average number of common shares outstanding	33,673,006	16,697,696

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

SILVER VIPER MINERALS CORP.**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Expressed in Canadian Dollars)

	Common Shares	Share Capital	Deficit	Total Shareholders' Equity
Balance, April 26, 2016 (Note 1)	- \$	- \$	- \$	-
Issuance of incorporation share	1	1	-	1
Private placements	29,447,800	2,530,975	-	2,530,975
Share issuance costs	-	(24,075)	-	(24,075)
Shares issued for exploration and evaluation assets	1,000,000	125,000	-	125,000
Loss and comprehensive loss	-	-	(21,800)	(21,800)
Balance, December 31, 2016	30,447,801	2,631,901	(21,800)	2,610,101
Initial public offering	12,262,500	3,065,625	-	3,065,625
Share issuance costs	-	(215,437)	-	(215,437)
Loss and comprehensive loss	-	-	(992,885)	(992,885)
Balance, December 31, 2017	42,710,301 \$	5,482,089 \$	(1,014,685) \$	4,467,404

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

SILVER VIPER MINERALS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	For the year ended December 31, 2017	For the period from incorporation on April 26, 2016 to December 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (992,885)	\$ (21,800)
Changes in non-cash working capital items:		
Receivables	(57,221)	(1,974)
Accounts payable and accrued liabilities	197,585	1,139
Prepaid expenses	(39,859)	-
Cash used in operating activities	(892,380)	(22,635)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	(50,000)	(86,500)
Cash used in investing activities	(50,000)	(86,500)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common shares, net of share issue costs	2,850,188	2,506,901
Cash provided by financing activities	2,850,188	2,506,901
Increase in cash during the period	1,907,808	2,397,766
Cash, beginning of period	2,397,766	-
Cash, end of period	\$ 4,305,574	\$ 2,397,766

Supplemental disclosure with respect to cash flows (Note 7)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Silver Viper Minerals Corp. (the “Company”) was incorporated under the laws of the Province of British Columbia, Canada on April 26, 2016. The Company completed an Initial Public Offering (“IPO”) on September 27, 2017 and the Company’s common shares were listed for trading on the TSV Venture Exchange (“TSV-V”). The Company’s principal business activities include the acquisition and exploration of mineral properties in Mexico.

The head office of the Company is located at Suite 1130 - 1055 West Hastings Street, Vancouver, BC, Canada, V6C 2E9. The registered address and records office of the Company is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, Canada V6C 2X8.

These financial statements were authorized for issue by the Company’s Board of Directors on March 20, 2018.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has been successful in raising funds from incorporation to date, but will require additional funding for continued exploration and working capital purposes in future periods. However, management believes that the Company’s current working capital is sufficient to fund activities for the ensuing twelve months.

2. BASIS OF PREPARATION

These financial statements have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements have been prepared on a historical cost basis, except financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Critical Accounting Estimates and Judgements

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

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- a) The recoverability of receivables. The Company considers collectability and historical collection rates in estimating the recoverable amount of receivables. If the recoverable amount of receivables is estimated to be less than the carrying amount, the carrying amount of receivables is reduced to the recoverable amount and an impairment loss is recognized in profit or loss for the period.

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

Critical Accounting Estimates and Judgements (cont'd...)

- b) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and carrying value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.
- c) The inputs used in calculating the fair value for share-based payments expense included in profit or loss and share-based share issuance costs included in shareholders' equity. The share-based payments expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.
- d) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.
- e) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its controlled subsidiaries (Note 10). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany balances and transactions have been eliminated upon consolidation.

Exploration and evaluation assets

The Company is currently in the exploration stage with its mineral property interest. Exploration and evaluation costs include the costs of acquiring concessions, and the fair value, upon acquisition, of mineral properties acquired in a business combination. Costs incurred before the Company has obtained the legal rights to explore an area will be recognized in the statement of loss and comprehensive loss.

Exploration and evaluation expenditures are expensed in the period they are incurred except for expenditures associated with the acquisition of exploration and evaluation assets through a business combination or an asset acquisition. Significant property acquisition costs are capitalized only to the extent that such costs can be directly attributed to an area of interest where it is considered likely to be recoverable by future exploitation or sale.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Taxes receivable

Current taxes receivable consists of Goods and Services Tax receivables generated on the purchase of supplies and services, and are refundable from the Canadian government. Non-current taxes receivable consists of Value Added Tax ("VAT") receivables generated on the purchase of supplies and services and are receivable from the Mexican government. The Company classified the VAT receivables as non-current as it does not expect collection to occur within the next year. The VAT refund process in Mexico requires a significant amount of information and follow-up and the timing of collection of VAT receivables is uncertain. The Company believes that taxes receivable balances are fully recoverable and has not provided an allowance.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell ("FVLCS") and value in use ("VIU"). FVLCS is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The Company has no material restoration, rehabilitation and environmental provisions for the periods presented.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss. The Company has classified its cash at fair value through profit or loss.

Loans and receivables – These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of loss and comprehensive loss.

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the results of operations.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

Financial assets (cont'd...)

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the results of operations.

Other financial liabilities: This category includes accounts payable and accrued liabilities, all of which are recognized at amortized cost.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the corporate group is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants.

The fair value of stock options granted to directors, officers, employees and consultants is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period as expense, with a corresponding increase in reserves. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payments. Otherwise, share-based payments are measured at the fair value of the goods or services received.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period. Diluted earning (loss) per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive instruments. The calculation of diluted earning (loss) per share assumes that the proceeds to be received on the exercise of dilutive instruments are used to repurchase common shares at the average market price during the period. In periods where a loss is reported, diluted loss per share is the same as basic loss per share because the effects of potentially dilutive common shares would be anti-dilutive.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in shareholders' equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is recorded by providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

SILVER VIPER MINERALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

New standards not yet adopted

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements:

IFRS 9 Financial Instruments ("IFRS 9")

IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2018.

The new IFRS standard will have an insignificant effect on its consolidated financial statements other than increased note disclosure.

IFRS 16 Leases

On January 13, 2016 the IASB issued IFRS 16 – Leases the new leases standard. The standard is effective for periods beginning on or after January 1, 2019.

The new IFRS standard will have an insignificant effect on its consolidated financial statements.

4. EXPLORATION AND EVALUATION ASSETS

On August 23, 2016, the Company signed a letter of intent ("LOI") with Riverside Resources Inc. ("Riverside") which has been superseded by a definitive agreement (the "Agreement") on September 30, 2016 and as amended on December 2, 2016 ("Execution date"), with respect to Riverside's Clemente project (the "Property") in Sonora, Mexico. The Company has the right to earn 100% undivided interest in the Property.

Commitments under the Agreement are as follows:

Time/Date	Cash Commitment	Cash Paid	Common Shares Commitment	Value of Common Shares Issued	Annual Work Commitment
LOI	\$ 15,000	\$ 15,000	-	-	\$ -
Execution date of Agreement	25,000	25,000	1,000,000 (issued)	\$ 125,000	-
Execution date Year 1 anniversary	50,000	50,000	-	-	350,000 (incurred)
Execution date Year 2 anniversary	75,000	-	-	-	500,000
Execution date Year 3 anniversary	100,000	-	-	-	750,000
Execution date Year 4 anniversary	150,000	-	250,000	-	1,000,000
Execution date Year 5 anniversary	335,000	-	750,000	-	1,400,000
Total	\$ 750,000	\$ 90,000	2,000,000	\$ 125,000	\$ 4,000,000

SILVER VIPER MINERALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

On execution of the Agreement, the Company also made a one-time payment of \$46,500 for concession taxes owing on the Property. This amount has been capitalized as part of the Company's acquisition costs relating to the Property, but will be credited against the annual work requirement stipulated in the Agreement.

The Agreement also stipulates a requirement for the Company to complete minimum drilling on the Property of 2,500 meters by the Year 2 anniversary of the Execution date. Further, Riverside retained a 2.0% net smelter return ("NSR") royalty, 100% of which can be purchased by the Company for \$4,000,000 at any time before the Year 5 anniversary of the Execution date or 50% for \$3,000,000 after the Year 5 anniversary but before the Year 8 anniversary of the Execution date.

5. SHARE CAPITAL AND RESERVES

Authorized

Unlimited number of common shares without par value
Unlimited number of preferred shares without par value

Issued

On April 26, 2016, the Company issued 1 common share for \$1.00 on incorporation.

On June 13, 2016, the Company completed a private placement for a total of 10,000,000 common shares at a price of \$0.01 per share, for total proceeds of \$100,000. These common shares are subject to escrow restriction upon completion of the IPO, and will be released from escrow in tranches over a period of 36 months from the Company's listing on the TSX-V.

SILVER VIPER MINERALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
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5. SHARE CAPITAL AND RESERVES (cont'd)

Issued (cont'd...)

On September 9, 2016, the Company completed a private placement for a total of 17,072,800 common shares at a price of \$0.125 per share, for total proceeds of \$2,134,100.

On September 30, 2016, the Company completed a private placement for a total of 2,375,000 common shares at a price of \$0.125 per share, for total proceeds of \$296,875. Of these shares, 2,180,000 shares are subject to escrow restrictions upon completion of the IPO and will be released from escrow in tranches over a period of 36 months from the Company's listing on the TSX-V. The Company recognized share issuance costs totalling \$24,075 in connection with the private placements completed.

On December 1, 2016, the Company issued 1,000,000 shares at a fair value of \$125,000 (\$0.125 per share) in connection with the Agreement (Note 4).

On September 27, 2017, the Company completed its IPO and issued a total of 12,262,500 common shares at a price of \$0.25 per share, for total proceeds of \$3,065,625. The Company recognized share issuance costs totalling \$215,437 in connection with the IPO.

As at December 31, 2017 there are 10,962,001 common shares held in escrow. These common shares are being released from escrow in tranches over 36 months from completion of the IPO.

Stock options

The Company has a plan to grant stock options to directors, officers, employees and consultants of the Company. Under the plan, the board of directors has the discretion to issue the equivalent of up to 10% of the issued and outstanding shares of the Company from time to time. Stock options are granted with a term of up to ten years and are exercisable at a price that is not less than the market price on the date granted.

Vesting terms are determined at the discretion of the board of directors. Options issued to consultants providing investor relations services must vest in stages over a minimum of twelve months with no more than one-quarter of the options vesting in any three-month period.

There were no stock options granted during the period from the date of incorporation on April 26, 2016 to December 31, 2016 or for the year ended December 31, 2017.

SILVER VIPER MINERALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
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6. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company may invest its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns on unused capital. The Company does not pay dividends. The Company is not subject to any externally imposed capital requirements. There have been no changes to the Company's approach to capital management during the year ended December 31, 2017.

The Company raises capital to fund its corporate and exploration costs and other obligations through the sale of its common shares or units consisting of common shares and warrants in order to operate its business and safeguard its ability to continue as a going concern. Although the Company's management has been successful in raising funds in the past through issuance of share capital, it is uncertain whether it will continue this financing due to uncertain economic conditions.

7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There were no significant non-cash transactions during the year ended December 31, 2017.

During the period ended December 31, 2016, the Company issued 1,000,000 shares at a fair value of \$125,000 pursuant to the Agreement (Note 5).

8. RELATED PARTY TRANSACTIONS

The financial statements consist of Silver Viper Minerals Corp. and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
SV Plata Servicios S.A. de C.V.	Mexico	100%	Mineral exploration
SV Minerales S.A. de C.V.	Mexico	100%	Mineral exploration

SILVER VIPER MINERALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS (cont'd...)

Key management personnel are individuals responsible for planning, directing and controlling the activities of the Company and include all directors and officers.

Compensation paid or payable to key management personnel for services rendered are as follows:

	For the year ended December 31, 2017	For the period on April 26, 2016 to December 31, 2016
Management fees	\$ 61,285	\$ -
Total	\$ 61,285	\$ -

Other related party transactions are as follows:

	For the year ended December 31, 2017	For the period on April 26, 2016 to December 31, 2016
Administration fees *	\$ 55,641	\$ -
Geological consulting fees	34,285	4,000
Total	\$ 89,926	4,000

*Administration fees were paid to a management service company controlled by a director of the Company that provides office space, a corporate secretary, investor relations, accounting and administration staff to the Company on a shared cost basis.

As of December 31, 2017, the Company had \$25,914 in accounts payable (2016 - Nil) relating to companies controlled by directors.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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 described below.

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of financial instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying values of receivables, accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of the financial instruments.

Concentrations of business risk

The Company maintains its cash with a major Canadian financial institution. Deposits held with this institution may exceed the amount of insurance provided on such deposits.

Credit risk

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk arises from value-added tax (IVA) and goods and services tax (GST), which are recoverable from the governing body in Mexico and Canada, respectively. As the Company's exploration operations are conducted in Mexico, the Company's operations are also subject to the economic risks associated with those countries.

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 manages liquidity risk through the management of its capital structure.

Foreign exchange risk

A portion of the Company's operational transactions are originally denominated in Mexican Pesos. Accordingly, the results of the Company's operations and comprehensive loss as stated in Canadian dollars will be impacted by exchange rate fluctuations. The Company does not hedge its exposures to movements in the exchange rates at this time.

The Company's exposure to foreign currency risk is on its cash, long term taxes receivable, and accounts payable and accrued liabilities. At December 31, 2017, a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and Mexican Peso would have an effect of \$4,800 on profit and loss.

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9. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd...)

Interest rate risk

The Company limits its exposure to interest rate risk by holding cash deposits at major Canadian financial institutions and accordingly is not subject to significant interest rate risk.

Price risk

Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent periods. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

10. SEGMENTED INFORMATION

The Company's reportable operating segment is the acquisition of mineral properties. Geographic information is as follows:

		For the year ended December 31, 2017		For the period from the date of incorporation on April 26, 2016 to December 31, 2016
Exploration and evaluation assets				
Mexico	\$	261,500	\$	211,500
Canada		-		-

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11. INCOME TAXES

The reconciliation of income tax provision computed at statutory rates to the reported income tax provision is as follows:

	For the year ended December 31, 2017	For the period from the date of incorporation on April 26, 2016 to December 31, 2016
Basic statutory and provincial income tax rate	26%	26%
Loss for the period	\$ (992,885)	\$ (21,800)
Expected tax expense (recovery)	\$ (258,000)	\$ (6,000)
Change in statutory, foreign tax, foreign exchange and other	(8,000)	-
Share issue costs	(56,000)	(6,000)
Change in unrecognized deductible temporary differences	322,000	12,000
Deferred tax expense (recovery)	\$ -	\$ -

The significant components of the Company's unrecognized deductible temporary differences and tax losses are as follows:

	December 31, 2017	December 31, 2016	Expiry
Exploration and evaluation assets	\$ 217,000	\$ 10,000	No expiry
Share issue costs	\$ 187,000	\$ 19,000	2036-2041
Non-capital losses available for future periods	\$ 847,000	\$ 17,000	2027-2037
Canada	\$ 448,000	\$ 17,000	2036-2037
Mexico	\$ 399,000	\$ -	2027

Tax attributes are subject to review and potential adjustment by tax authorities.

12. EVENTS AFTER THE REPORTING PERIOD

On February 9, 2018, the Company granted 3,840,000 incentive stock options to directors, officers, and consultants at an exercise price of \$0.25 per share, expiring five years from the date of grant and vesting immediately.