

AINTREE RESOURCES INC.

For the Nine Months Ended July 31, 2017

Interim Financial Statements

(Expressed in Canadian Dollars)
(Unaudited-Prepared by Management)

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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of Aintree Resources Inc. for the period ended July 31, 2017 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company and are the responsibility of the Company's management.

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

Aintree Resources Inc.

Interim Statements of Financial Position

As at July 31, 2017 and October 31, 2016

(Expressed in Canadian Dollars)

(Unaudited)

	Note	July 31, 2017 \$	October 31, 2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	3	12,382	7,502
Cash - restricted	4	155,507	-
GST recoverable		1,750	-
		<u>169,639</u>	<u>7,502</u>
Non-current assets			
Advance	5	-	60,000
Exploration and evaluation assets	6	829,877	-
TOTAL ASSETS		<u>999,517</u>	<u>67,502</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7,8	414,888	155,036
Long-term liabilities			
Asset Retirement Obligations	9	155,000	-
TOTAL LIABILITIES		<u>569,888</u>	<u>155,036</u>
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Common shares	10	1,218,507	723,507
Deficit		(788,878)	(811,041)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)		<u>429,628</u>	<u>(87,534)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		<u>999,517</u>	<u>67,502</u>

Basis of Preparation and Going Concern (Note 2)

Subsequent Events (Note 11)

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

Approved on behalf of the Board:

“Gary MacDonald”

Gary MacDonald, Director

“Patrice Nazareno”

Patrice Nazareno, Director

Aintree Resources Inc.

Interim Statements of Comprehensive Loss

For the nine months ended July 31, 2017

(Expressed in Canadian Dollars)

	For the three months ended July 31		For the nine months ended July 31	
	2017	2016	2017	2016
	\$	\$	\$	\$
EXPENSES				
Accounting and audit	(3,187)	578	6,260	17,723
Administration	-	7,500	-	22,500
Conference fees	-	-	-	952
Interest and bank charges	519	165	720	514
Meals & Entertainment	-	1,350	1,893	4,633
Office, rent and telephone	1,216	18,645	10,368	57,948
Professional Fees	14,745	-	34,980	-
Transfer agent and filing fees	12,283	5,126	21,049	16,260
Travel and expenses	8	2,514	8,303	24,610
Utilities	-	-	223	2,600
	(25,584)	(35,878)	(83,795)	(147,740)
Gain on settlement of accounts payable	-	-	105,919	-
Interest Income	-	-	40	50
NET LOSS AND COMPREHENSIVE INCOME (LOSS)	(25,584)	(35,878)	22,164	(147,690)
BASIC AND DILUTED INCOME (LOSS) PER SHARE	(0.00)	(0.00)	0.00	(0.02)
Weighted average number of shares outstanding	10,254,167	8,754,167	9,462,958	8,754,167

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

Aintree Resources Inc.

Statement of Changes in Shareholder's Deficiency

For the nine months ended July 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

	Number of shares	Share capital \$	Share based payment reserve \$	Deficit \$	Total Equity \$
Balance as at October 31, 2015	754,167	323,507	99,841	(683,952)	(260,604)
Private Placement	8,000,000	400,000	-	-	400,000
Loss for the period	-	-	-	(147,690)	(147,690)
Balance as at July 31, 2016	8,754,167	723,507	99,841	(831,642)	(8,294)
Balance as at October 31, 2016	8,754,167	723,507	-	(811,041)	(87,534)
Acquisition of exploration and evaluation assets	1,500,000	495,000	-	-	495,000
Income for the period	-	-	-	22,164	22,164
Balance as at July 31, 2017	10,254,167	1,218,507	-	(788,878)	429,628

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

Aintree Resources Inc.

Interim Statements of Cash Flows

For the nine months ended July 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

	For the Nine Months Ended July 31, 2017	For the Nine Months Ended July 31, 2016
	\$	\$
OPERATING ACTIVITIES		
Net gain (loss) for the year	22,164	(147,690)
Gain on settlement of debt	(105,919)	-
Changes in working capital		
Restricted cash	(155,507)	-
GST recoverable	(1,750)	3,592
Property investigation	-	(160,000)
Trade payables and accrued liabilities	330,956	(90,445)
Cash flow from (used) by operating activities	89,943	(394,543)
FINANCING ACTIVITY		
Proceeds from private placement	-	400,000
Cash flow from (used) by financing activities	-	400,000
INVESTING ACTIVITY		
Exploration and evaluation assets	(145,063)	-
Advance returned	60,000	-
Cash flow from (used) by investing activities	(85,063)	-
INCREASE (DECREASE) IN CASH FLOW	4,880	5,457
CASH AND CASH EQUIVALENTS - Beginning of period	7,502	5,836
CASH AND CASH EQUIVALENTS - End of period	12,382	11,292
Non-cash transactions:		
Issuance of shares for exploration and evaluation assets	\$ 495,000	\$ -
Additions to exploration and evaluation assets included In accounts payable	\$ 34,814	\$ -

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

Aintree Resources Inc.

Notes to the Interim Financial Statements

For the Nine Months Ended July 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 1 – NATURE OF OPERATIONS

Aintree Resources Inc. (the “Company”) was incorporated under the Business Corporation Act (British Columbia) on September 24, 2009 and is classified as a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“TSX -V”) Policy 2.4. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities (Note 9).

The address of the Company’s corporate office and principal place of business is Suite 600, 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 3P6.

On February 22, 2017 the Company registered a 100% owned subsidiary, 0862130 Corp. in the State of Nevada. The Company, through its subsidiary, acquired a project located near Tonopah Nevada (the “Tonopah Project”). The Company intends this purchase to be its Qualifying Transaction (Note 6).

The condensed consolidated interim financial statements were prepared, under the historical cost convention. The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. The Company has a working capital deficit of \$245,249 and has an accumulated deficit of \$788,878 as of July 31, 2017.

Management of the Company does not expect that cash flows for the Company’s operations will be sufficient to meet all of its operating requirements, financial commitments, and business development priorities during the next twelve months. Accordingly, the Company will need to obtain financing in the form of debt, equity, or a combination thereof for the next twelve months to continue to operate. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on September 26, 2017.

NOTE 2 – BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”), and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). Certain disclosures included in the notes to the annual financial statements have been condensed in the following note disclosures or have been disclosed on an annual basis only. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended October 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB.

Except for those noted below, these condensed consolidated interim financial statements follow the same accounting policies and methods of applications as the Company’s most recent annual financial statements, and should be read in conjunction with the Company’s annual financial statements for the year ended October 31, 2016, which were prepared in accordance with IFRS as issued by the IASB. There have been no significant changes in judgements or estimates from those disclosed in the financial statements for the year ended October 31, 2016, except for those noted below.

Aintree Resources Inc.

Notes to the Interim Financial Statements

For the Nine Months Ended July 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 2 – BASIS OF PREPARATION (Continued)

New Accounting Pronouncements Adopted

Exploration and Evaluation Assets

Costs incurred before the Company has obtained the legal rights to explore an area are expensed. Costs to acquire exploration and evaluation assets are capitalized as incurred. Costs related to the exploration and evaluation of exploration and evaluation assets are expensed as incurred. The Company considers mineral rights to be assets and accordingly, the Company capitalizes certain costs related to the acquisition of mineral rights. The Company considers each exploration and evaluation asset to be a separate cash generating unit.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation asset or shown as an expense recovery depending on the nature of the activity generating the refund. If payments received exceed the capitalized cost of the exploration and evaluation asset, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Impairment

At each financial position reporting date the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any 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 and value in use, which is the present value of future cash flows expected to be derived from 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 the profit or loss for the period.

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. 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 so that the increased carrying amount 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.

Foreign Currency Translation

The functional currency of the Company and its subsidiary is the Canadian dollar. The reporting currency of the Company is the Canadian dollar. Transactions denominated in foreign currency are translated into Canadian dollars at the rate of exchange in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies have been translated into Canadian dollars at the rate of exchange in effect at the statement of financial position date, while non-monetary assets and liabilities are translated at historical rates. Revenue and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Any gains or losses resulting from translation have been included in the statement of operations and comprehensive income (loss).

Aintree Resources Inc.

Notes to the Interim Financial Statements

For the Nine Months Ended July 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 2 – BASIS OF PREPARATION (Continued)

Significant accounting judgements and estimates

Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant.

Significant estimates made by management affecting the consolidated financial statements include:

Recoverability of Exploration & Evaluation Assets

The Company is in the process of exploring and evaluating its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves and upon future production or proceeds from the disposition thereof.

Basis of consolidation

These consolidated financial statements include the accounts of the Company, and its wholly owned subsidiary, 0862130 Corp. A wholly owned subsidiary is an entity in which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. All intercompany transactions and balances have been eliminated on consolidation.

NOTE 3 – CASH AND CASH EQUIVALENTS

	July 31, 2017	October 31, 2016
	\$	\$
Cash at bank	6,400	1,752
Guaranteed investment certificates	5,750	5,750
Deposits	232	-
	12,382	7,502

NOTE 4 – RESTRICTED CASH

The Company has cash on deposit with the Bureau of Land Management and the State of Nevada as a bond to insure the completion of future Asset Retirement Obligations (“AROs”) (see Note 9) as estimated utilizing a standardized reclamation cost estimating system for the State of Nevada. These cash deposits are not releasable until such time that Asset Retirement Obligations are retired as an obligation. Bond amounts are typically reviewed every third year for increase or decrease or when permit modifications are requested.

Aintree Resources Inc.

Notes to the Interim Financial Statements

For the Nine Months Ended July 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

NOTE 5 – ADVANCE

During the year ended October 31, 2016, the Company paid an advance of \$60,000 for property investigation work to be completed subsequent to October 31, 2016. This amount was returned to the Company during the period ended April 30, 2017.

NOTE 6 – EXPLORATION AND EVALUATION ASSETS

In March 2017, the Company's wholly owned subsidiary, 0862130 Corp. entered into an agreement (the "Asset Purchase Agreement") to acquire the Tonopah Project in Nevada, USA. The Company was required to make a US\$25,000 cash payment (paid) for the acquisition of the Tonopah Project.

In addition, the Company entered into a royalty deed modification and waiver of claims agreement with underlying royalty holders on the Tonopah Project to restructure a sliding scale Net Smelter Royalty ("NSR") into a flat 2% NSR structure. In exchange for this, the Company paid US\$50,000 in cash, and issued 1,500,000 shares of its common stock.

Costs associated with the acquisition of the property are outlined below:

	Total
Balance at October 31, 2016	\$ -
Acquisition costs – cash (US\$25,000)	33,525
Royalty payment – cash (US\$50,000)	67,050
Shares (1,500,000 shares)	495,000
Reclamation fund	155,000
Miscellaneous expenditures	79,302
Balance at July 31, 2017	829,877

On June 7, 2017, the Company announced that it submitted an application to the TSX-V to have its Tonopah Project accepted as its listing property for a CPC qualifying transaction ("QT").

NOTE 7 – ACCOUNTS PAYABLE AND ACCRUED LIABILITY

	July 31, 2017	October 31, 2016
	\$	\$
Trade payables	23,103	12,660
Accrued liability	40,814	6,000
Interest bearing payables (a)	-	104,700
Accrued interest (a)	-	28,653
Due to related party (Note 8)	331	2,323
Due to officer and director (Note 8)	-	700
Notes payable (b)	350,640	-
Balance at July 31, 2017	414,888	155,036

a) As at October 31, 2016, there are balances due to Obelisk International Ltd. and ATP Corporate Services, for a total of \$104,700, for office and administrative services. The balances bear interest at 12% per annum, are unsecured, and have no specific terms of repayment. During the period ended April 30, 2017, the unpaid balances were forgiven, and the Company recorded a gain of \$105,919 in the statement of comprehensive income (loss).

Aintree Resources Inc.

Notes to the Interim Financial Statements

For the Nine Months Ended July 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

b) During the period ended July 31, 2017, the Company received notes in the amount of \$350,640. These notes are non-interest bearing with no fixed terms of repayment.

NOTE 8 – RELATED PARTY TRANSACTIONS

The amounts due to related parties are non-interest bearing, unsecured, and have no fixed terms of repayment, unless otherwise disclosed. The Company entered into the following transactions with related parties:

a) As at July 31, 2017, \$331 (October 31, 2016 - \$1,323), included in accounts payable and accrued liabilities, is a balance due to a company controlled by a person related to a director and officer for expense paid by the related company on behalf of the Company. The balance bears interest at 12% per annum, is unsecured, and has no specified terms of repayment. As at July 31, 2017, \$nil (October 31, 2016 - \$3,430) in interest has been accrued on the amount due.

b) As at July 31, 2017, \$nil (October 31, 2016 - \$700), included in accounts payable and accrued liabilities, there was balance due to a former director and officer of the Company for office expensed incurred on behalf of the Company.

c) As at July 31, 2017, \$nil (October 31, 2016 - \$1,000), included in accounts payable and accrued liabilities, is a balance due to a director of the Company.

NOTE 9 – ASSET RETIREMENT OBLIGATION

AROs are recognized at the time of environmental disturbance in amounts equal to the discounted value of expected future reclamation cash outflows. The discount rate is updated annually at the reporting date to an estimated current market-based rate considering the timing and risks specific to the liability. The estimated future costs are based primarily upon existing environmental and regulatory requirements of the various jurisdictions in which we operate. Cash expenditures for environmental remediation and closure are charged as incurred against the liability. When the liability is increased, an asset is also recognized if the related disturbances have a future benefit. An ARO is estimated to be the discounted present value of the estimated future costs required to remediate environmental disturbances. Included in this liability are the costs of closure, reclamation, demolition, stabilization of earth works and post-closure environmental monitoring and water treatment. While the majority of these costs will be incurred near the end of the project life, certain ongoing reclamation costs will be incurred prior to property closure. Reclamation expenditures are recorded against the ARO liability as incurred. The ARO estimate is updated at least annually.

NOTE 10 – SHARE CAPITAL

On July 6, 2016, the Company completed a non-brokered private placement consisting of a total of 8,000,000 shares at a price of \$0.05 or gross proceeds of \$400,000. The shares issued will be subject to CPC escrow policies and subject to a three year escrow release.

On April 12, 2017, the Company issued 1,500,000 shares to relation to the Royalty Deed Modification and Waiver of Claims Agreement in conjunction with the Tonopah Project Transaction (Note 6), as approved by the TSXV. The shares carried a market value of \$0.33/share at the time of issuance.

The Company is in the process of conducting a non-brokered private placement of up to 4,800,000 units (a common share and a warrant) at a price of \$0.25 per share for gross proceeds of up to \$1,200,000. Further details of this financing can be found on news releases dated June 5, 2017 and August 25, 2017.

Aintree Resources Inc.

Notes to the Interim Financial Statements

For the Nine Months Ended July 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

a) Escrow Shares

As of July 31, 2017, there are 191,667 common shares of the Company held in escrow.

NOTE 11 – SUBSEQUENT EVENTS

On August 2, 2017 Aintree announced the filing of an NI43-101 Compliant Technical Report on Mineral Exploration for the Tonopah Gold Project. This technical Report was reviewed and accepted by the TSX Venture Exchange as part of Aintree's ongoing application process to use the Tonopah Project as its listing property for a CPC Qualifying Transaction.

On August 9, 2017 Aintree was notified by a letter from the TSXV that the Company's proposed QT involving the Tonopah Property had been conditionally accepted by the TSXV. Completion of the QT approval process is subject to a number of conditions, principal among these conditions is the filing of a final Filing Statement and the completion of a concurrent financing to raise a minimum gross proceed of \$1,000,000. Final acceptance of the QT by the TSXV will allow the Company to be classified as a Tier 2 Mining Issuer on the TSXV.

On August 25, 2017 the Company announced the Filing of a Filing Statement for a Qualifying Transaction and an update on Financing. The Filing Statement was filed under the Company's profile on SEDAR at www.sedar.com on August 24, 2017.

On August 25, 2017, the Company announced new amended terms of the non-brokered private placement, first announced on June 5, 2017, to include up to 4,800,000 units (a common share and a warrant) at a price of \$0.25 per share for gross proceeds of up to \$1,200,000. Each Unit in the Offering will include one common share in the capital of the Company (the "Share") plus one share purchase warrant exercisable into a Share at \$0.35 per Share for a period of two years from the closing of the Offering. Closing of the offering is subject to receipt of all necessary corporate and regulatory approvals, including the TSX-V's acceptance of the Company's CPC QT. All securities issued in connection with the Offering will be subject to a hold period of four months plus a day from the date of issuance.