

Silver Range Resources Ltd.
Condensed Consolidated Interim Financial Statements
For the nine months ended
September 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

Silver Range Resources Ltd.
#1016 – 510 West Hastings Street
Vancouver, British Columbia
V6B 1L8

November 22, 2018

To the Shareholders of
Silver Range Resources Ltd.

The attached condensed consolidated interim financial statements have been prepared by the management of Silver Range Resources Ltd. and have not been reviewed by the auditor of the Company.

Yours truly,

Michael Power
Chief Executive Officer

Silver Range Resources Ltd.**Condensed Consolidated Interim Statements of Financial Position****Unaudited – Prepared by Management**

		September 30, 2018	December 31, 2017
	Note	\$	\$
Assets			
Current assets			
Cash		588,805	383,917
Receivables and prepayments	3	46,333	76,946
Marketable securities	4	143,827	-
		778,965	460,863
Non-current assets			
Marketable securities	4	-	98,535
Prepaid mineral property expenditures		31,989	28,188
Mineral property interests	6	4,712,306	5,150,320
Reclamation deposits	7	97,618	50,319
		4,841,913	5,327,362
Total assets		5,620,878	5,788,225
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		117,465	50,322
Accounts payable to related parties	10	36,724	28,026
Total liabilities		154,189	78,348
Shareholders' equity			
Share capital	8	36,592,572	35,893,579
Contributed surplus	8	608,051	513,509
Deficit		(31,733,934)	(30,697,211)
Total shareholders' equity		5,466,689	5,709,877
Total liabilities and shareholders' equity		5,620,878	5,788,225
Nature of operations and going concern	1		
Events after the reporting period	14		

Approved on behalf of the Board of Directors on November 22, 2018:

"Bruce J. Kenway"

Director

"Barry M. Heck"

Director

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

Silver Range Resources Ltd.**Condensed Consolidated Interim Statements of Changes in Shareholders' Equity****Unaudited – Prepared by Management**

For the nine months ended September 30, 2018 and September 30, 2017

	Number of shares #	Share capital \$	Contributed surplus \$	Deficit \$	Total shareholders' equity \$
January 1, 2017	57,401,707	34,108,519	296,634	(29,906,956)	4,498,197
Share-based payments	-	-	291,278	-	291,278
Shares issued for mineral properties	1,000,000	200,000	-	-	200,000
Private placement units issued	8,687,500	1,550,000	-	-	1,550,000
Share issue costs	-	(38,400)	-	-	(38,400)
Loss and comprehensive loss for the period	-	-	-	(704,369)	(704,369)
September 30, 2017	67,089,207	35,820,119	587,912	(30,611,325)	5,796,706
January 1, 2018	67,448,158	35,893,579	513,509	(30,697,211)	5,709,877
Share-based payments	-	-	173,377	-	173,377
Exercise of options	72,500	9,425	-	-	9,425
Re-allocated on exercise of options	-	6,580	(6,580)	-	-
Re-allocated on cancellation of options	-	-	(72,255)	72,255	-
Private placement units issued	4,615,333	692,300	-	-	692,300
Share issue costs	-	(9,312)	-	-	(9,312)
Loss and comprehensive loss for the period	-	-	-	(1,108,978)	(1,108,978)
September 30, 2018	72,135,991	36,592,572	608,051	(31,733,934)	5,466,689

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

Silver Range Resources Ltd.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss****Unaudited – Prepared by Management****For the three and nine months ended September 30,**

		Three months ended		Nine months ended	
		September 30,	September 30,	September 30,	September 30,
		2018	2017	2018	2017
	Note	\$	\$	\$	\$
General and administrative expenses					
Administrative expenses		2,301	10,444	6,246	19,937
Consulting fees	10	11,411	31,275	77,261	93,825
Insurance		5,704	6,744	18,919	20,206
Investor relations and shareholder information		13,798	11,795	25,552	74,267
Management, administrative and corporate development fees	10	16,425	16,320	60,445	72,424
Office rent	10	7,500	7,500	22,500	22,500
Professional fees	10	14,789	20,338	65,325	62,645
Share-based payments	8	25,985	249,201	173,377	291,278
Transfer agent and filing fees		2,515	6,519	8,071	12,532
Loss before other items		(100,428)	(360,136)	(457,696)	(669,614)
Interest income		1,617	1,679	7,579	5,900
Loss on marketable securities	4	(73,166)	-	(29,708)	-
Mineral property examination costs	10	(43,261)	(8,255)	(49,313)	(31,854)
Gain on sale of mineral properties	6	33,086	-	33,086	-
Mineral property write-offs	6	(44,982)	-	(612,926)	(8,801)
Loss and comprehensive loss for the period		(227,134)	(366,712)	(1,108,978)	(704,369)
Loss per share					
Weighted average number of common shares outstanding					
- Basic #	9	72,135,991	66,339,207	70,328,040	63,901,249
- Diluted #	9	72,135,991	66,339,207	70,328,040	63,901,249
Basic loss per share \$	9	(0.00)	(0.01)	(0.02)	(0.01)
Diluted loss per share \$	9	(0.00)	(0.01)	(0.02)	(0.01)

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

Silver Range Resources Ltd.**Condensed Consolidated Interim Statements of Cash Flows****Unaudited – Prepared by Management**

For the nine months ended September 30,	Note	2018 \$	2017 \$
Operating activities			
Loss and comprehensive loss for the period		(1,108,978)	(704,369)
Adjustments for:			
Share-based payments		173,377	291,278
Loss on marketable securities		29,708	-
Gain on sale of mineral properties		(33,086)	-
Mineral property write-offs		612,926	8,801
Interest income received		(7,579)	(5,900)
Net change in non-cash working capital items	12	(32,386)	(51,941)
		(366,018)	(462,131)
Financing activities			
Issue of common shares for cash		701,725	1,550,000
Share issue costs		(9,312)	(38,400)
		692,413	1,511,600
Investing activities			
Interest received		7,579	5,900
Reclamation bonds		(47,299)	(50,142)
Exploration grant proceeds		37,240	53,870
Mineral property option proceeds		165,000	190,000
Mineral property acquisition costs		(129,280)	(249,805)
Deferred exploration and evaluation expenditures		(154,747)	(640,704)
		(121,507)	(690,881)
Increase in cash		204,888	358,588
Cash, beginning of period		383,917	732,128
Cash, end of period		588,805	1,090,716

Supplemental cash flow information

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

Silver Range Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements Unaudited – Prepared by Management

For the nine months ended September 30, 2018 and September 30, 2017

1. Nature of operations and going concern

Silver Range Resources Ltd. (the “Company” or “Silver Range”) was incorporated on May 18, 2010, under the laws of the Province of British Columbia, Canada as a wholly owned subsidiary of Strategic Metals Ltd. (“Strategic”). In 2011, the Company and Strategic completed a Plan of Arrangement which reduced Strategic’s investment in the Company to less than 20%. The Company is registered extra-territorially to conduct operations in the Yukon Territory, Northwest Territories and Nunavut, Canada. The Company also has a US incorporated subsidiary company as detailed in note 5. The Company’s head office is located at 1016 - 510 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1L8. Its records office is located at 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3. The Company’s common shares trade on the TSX Venture Exchange (“TSX-V”).

The Company’s main corporate strategy is to advance its mineral properties to a drill-ready stage and then option or sell them to other parties. Under option or sale agreements, the Company may receive cash and/or shares in the acquiring companies and may retain interests or royalty interests in the properties. Through this process, the Company is assembling a portfolio of direct and indirect mineral property interests and marketable securities, which will assist in generating cash flows to meet overheads and ongoing exploration and drilling programs. The Company has not yet determined whether its direct or indirect mineral property interests contain mineral reserves that are economically viable. The Company’s continued operations, and the underlying value and recoverability of the amounts shown for mineral property interests and marketable securities, are entirely dependent upon the existence of economically recoverable mineral reserves of the Company and those in which it holds a mineral property or shareholder interest. The continued exploration and development of projects will depend on it receiving future cash flows from the disposition or option of its mineral property interests and sale of marketable securities, or from its ability to obtain share capital financing.

These condensed consolidated interim financial statements are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have revenues and historically has recurring operating losses. As at September 30, 2018, the Company had working capital of \$624,776 (December 31, 2017 - \$382,515), and shareholders’ equity of \$5,466,689 (December 31, 2017 - \$5,709,877). Management has assessed there will be sufficient funds to meet its annual general and administrative expenses, allowing it to continue as a going concern beyond one year. If the going concern assumption were not appropriate for these financial statements it would be necessary to restate the Company’s assets and liabilities on a liquidation basis.

2. Significant accounting policies

(a) Basis of presentation

These condensed consolidated interim financial statements have been prepared in conformity with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company’s annual audited financial statements for the year ended December 31, 2017, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). It is suggested that these condensed interim financial statements be read in conjunction with the annual audited financial statements.

These condensed consolidated interim financial statements have been prepared on an historical cost basis, except for financial instruments, and have been prepared using the accrual basis of accounting, except for cash flow information.

Unless otherwise specified, all amounts within these condensed consolidated interim financial statements are presented in Canadian dollars which is the functional currency of the Company.

(b) Significant accounting policies

Except as set out below, the accounting policies, estimates and critical judgments, methods of computation and presentation applied in these condensed consolidated interim financial statements are consistent with those of the most recent annual audited financial statements and are those the Company expects to adopt in its financial statements for the year ended December 31, 2018. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the Company’s most recent annual audited financial statements.

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements
Unaudited – Prepared by Management**

For the nine months ended September 30, 2018 and September 30, 2017

2. Significant accounting policies (continued)**(c) New accounting policy**

The Company has adopted new accounting standard *IFRS 9 - Financial Instruments*, effective for annual periods beginning on or after January 1, 2018. The adoption of IFRS 9 did not result in any changes to the classification, measurement or carrying amounts of the Company's existing financial instruments on transition date.

The new standard brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace *IAS 39 - Financial instruments: recognition and measurement*. The standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value.

The Company continues to classify and measure its financial instruments at fair value through profit or loss with changes in fair value recognized in profit or loss as they arise ("FVTPL"), unless restrictive criteria regarding the objective and contractual cash flows of the instrument are met for classifying and measuring at either amortized cost or fair value through other comprehensive income.

Cash, marketable securities and trade receivables continue to be recorded at FVTPL and other receivables and loans, initially at FVTPL, and subsequently at amortized cost using the effective interest rate method. Accounts payable and accrued liabilities are classified and measured as financial liabilities, initially at FVTPL, and subsequently at amortized cost using the effective interest rate method.

(d) Standards issued but not yet effective

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2019. Many of these updates are not applicable or consequential to the Company and have been excluded from the discussion below.

Effective for annual periods beginning on or after January 1, 2019.

- **New standard IFRS 16 - Leases**

IFRS 16, Leases ("IFRS 16") was issued by the IASB on January 13, 2016, and will replace IAS 17, Leases. It is effective for annual periods beginning on or after January 1, 2019, with earlier application permitted. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, IFRS 16 requires a single, on-balance sheet accounting model that is similar to current finance lease accounting. Leases become an on-balance sheet liability that attract interest, together with a new asset.

The Company has no leases and has initially assessed that there will be no material reporting changes as a result of adopting the new standard.

- **New Interpretation IFRIC 23 - Uncertainty over Income Tax Treatments**

On June 7, 2017, the IASB issued IFRIC Interpretation 23, *Uncertainty over Income Tax Treatments*. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company has not yet determined the extent of the impact of adoption of the Interpretation.

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements**
Unaudited – Prepared by Management

For the nine months ended September 30, 2018 and September 30, 2017

3. Receivables and prepayments

Receivables and prepayments consists of the following:

	September 30, 2018	December 31, 2017
	\$	\$
Sales tax recoverable	10,642	20,679
Yukon mineral exploration grant receivable	-	37,240
Other receivables	12,000	-
Prepaid expenses	23,691	19,027
	46,333	76,946

4. Marketable securities

Marketable securities consist of common shares received on the option of mineral properties as follows:

	Cost	Fair value	Gain (Loss)
	\$	\$	\$
January 1, 2017	98,535	98,535	
Unrealized gain (loss) for the period	-	-	-
September 30, 2017	98,535	98,535	-
January 1, 2018	98,535	98,535	
Additions	75,000	75,000	
Unrealized loss for the period	-	(29,708)	(29,708)
September 30, 2018	173,535	143,827	(29,708)

As at December 31, 2017, shares of Rover Metals Corp. ("Rover") (see note 6(b)(i)) held by the Company did not have an active market and accordingly, were presented as non-current assets. During the nine-month period ended September 30, 2018, Rover obtained a public listing and the Company reclassified these marketable securities as current assets.

The fair values of the marketable securities are based on the bid prices of the shares on the TSX-V at each period end.

The current period additions are for shares received under the Mel property option agreement (see note 6(a)(ii)).

5. Subsidiary information

As part of the purchase agreement with Panarc Resources Ltd. ("Panarc"), as described in note 6(b), the Company acquired a 100% interest in the shares of Manta Minerals Corporation ("Manta"), a company incorporated in the State of Nevada, USA. A nominal amount of \$1 was allocated to the share purchase.

Panarc incorporated Manta to hold title to its mineral property interests in Nevada, as it is a requirement in the USA that title to USA mineral interests be held by US corporations. Since incorporation Manta has had no transactions other than to hold title to the Nevada mineral claims. All costs to acquire or explore the claims were incurred by Panarc prior to the sale to Silver Range, and by Silver Range after the sale. Other than to hold title to the Nevada minerals claims, Manta has no assets or liabilities, and has had no transactions since being acquired by Silver Range.

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2018 and September 30, 2017

6. Mineral property interests

The Company's mineral property interests include various mineral properties located in the Yukon Territory, Northwest Territories, and Nunavut in Canada and in Nevada, USA. Properties which are in close proximity and could be developed as a single economic unit are grouped into projects.

	Yukon	Northwest Territories	Nunavut	Nevada	Total
	\$	\$	\$	\$	\$
January 1, 2017	1,257,246	653,654	1,677,931	148,631	3,737,462
Acquisitions/staking/assessments	7,825	278,584	88,210	75,186	449,805
Exploration and evaluation	114,414	169,435	486,259	246,579	1,016,687
Write-offs	-	-	-	(8,801)	(8,801)
Exploration grant from Panarc	-	(53,870)	-	-	(53,870)
Option proceeds	(100,000)	(90,000)	-	-	(190,000)
September 30, 2017	1,279,485	957,803	2,252,400	461,595	4,951,283
January 1, 2018	1,284,975	1,056,752	2,277,043	531,550	5,150,320
Acquisitions/staking/assessments	6,577	24,133	33,036	62,591	126,337
Exploration and evaluation	9,842	9,906	98,280	137,461	255,489
Write-offs	-	(567,944)	-	(44,982)	(612,926)
Option and sale proceeds	(150,000)	(80,000)	(10,000)	-	(240,000)
Gain on sale of mineral property	-	33,086	-	-	33,086
September 30, 2018	1,151,394	475,933	2,398,359	686,620	4,712,306

Silver Range Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements Unaudited – Prepared by Management

For the nine months ended September 30, 2018 and September 30, 2017

6. Mineral property interests (continued)

Changes in the project carrying amounts for the nine months ended September 30, 2017 are summarized as follows:

	Beginning Balance \$	Acquisitions/ Staking/ Assessments \$	Exploration and Evaluation \$	Exploration Grant from Panarc \$	Impairments \$	Option Proceeds \$	Ending Balance \$
Yukon Projects							
Silver Range	124,650	7,825	28,453	-	-	-	160,928
Mel	871,334	-	5,571	-	-	(100,000)	776,905
Barb	36,003	-	-	-	-	-	36,003
Michelle	225,259	-	80,390	-	-	-	305,649
Total	1,257,246	7,825	114,414	-	-	(100,000)	1,279,485
Northwest Territories Projects							
Hare	31,282	-	-	-	-	-	31,282
Itchen	37,314	-	-	-	-	-	37,314
Bugow (Cabin Lake)	6,808	-	-	-	-	-	6,808
Sparta	10,122	-	-	-	-	-	10,122
Uptown Gold	568,128	-	10,750	(53,870)	-	(90,000)	435,008
Providence Greenstone Belt	-	278,584	158,685	-	-	-	437,269
Total	653,654	278,584	169,435	(53,870)	-	(90,000)	957,803
Nunavut Projects							
Hard Cash	529,941	3,575	206,079	-	-	-	739,595
Nigel	35,811	-	-	-	-	-	35,811
Uist	36,217	4,270	74,868	-	-	-	115,355
Yandle	-	17,656	157,546	-	-	-	175,202
Noomut	-	8,312	-	-	-	-	8,312
Quartzite	40,413	-	-	-	-	-	40,413
Happy Thought	11,220	-	-	-	-	-	11,220
Grumpy	9,698	-	-	-	-	-	9,698
Bling	164,604	-	370	-	-	-	164,974
Goldbugs	710,178	9,760	-	-	-	-	719,938
Esker Lake	139,849	13,573	-	-	-	-	153,422
Quannitug	-	18,330	47,396	-	-	-	65,726
Hiqiniq	-	6,138	-	-	-	-	6,138
Ujaraq	-	6,596	-	-	-	-	6,596
Total	1,677,931	88,210	486,259	-	-	-	2,252,400
Nevada Projects							
Bellehelen	10,449	1,754	-	-	-	-	12,203
Hunter	11,195	-	4,951	-	-	-	16,146
Road Gold	15,213	4,297	24,433	-	-	-	43,943
Big Gossan	8,715	-	-	-	(8,715)	-	-
Cold Springs	13,902	2,151	2,070	-	-	-	18,123
Gilded Age	86	-	-	-	(86)	-	-
Gold Chief	8,768	7,414	24,536	-	-	-	40,718
Krug	8,779	1,722	-	-	-	-	10,501
Legal Tender	12,486	2,612	3,685	-	-	-	18,783
Rand	9,859	1,937	3,500	-	-	-	15,296
Skylight	13,435	4,924	69,396	-	-	-	87,755
Stinson	11,815	12,000	15,279	-	-	-	39,094
Strongbox	8,779	9,687	51,132	-	-	-	69,598
Lucky Boy	6,173	1,940	571	-	-	-	8,684
Enigma	8,977	15,664	47,026	-	-	-	71,667
Hannipah	-	9,084	-	-	-	-	9,084
Total	148,631	75,186	246,579	-	(8,801)	-	461,595
Total Projects	3,737,462	449,805	1,016,687	(53,870)	(8,801)	(190,000)	4,951,283

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2018 and September 30, 2017

6. Mineral property interests (continued)

Exploration and evaluation expenditures on the projects consisted of the following:

Nine months ended September 30, 2017	Yukon	Northwest Territories	Nunavut	Nevada	Total
	\$	\$	\$	\$	\$
Assays	4,305	4,657	722	15,328	25,012
Excavating and drilling	-	-	27,159	-	27,159
Field	17,150	38,582	28,764	10,950	95,446
Helicopter and fixed wing	21,046	106,079	187,125	-	314,250
Labour	72,935	185	659	12,401	86,180
Survey and consulting	24,667	12,650	215,034	190,398	442,749
Travel and accommodation	11,551	7,282	26,796	17,502	63,131
	151,654	169,435	486,259	246,579	1,053,927
Less: Yukon mineral exploration grant	(37,240)	-	-	-	(37,240)
Total	114,414	169,435	486,259	246,579	1,016,687

Silver Range Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements Unaudited – Prepared by Management

For the nine months ended September 30, 2018 and September 30, 2017

6. Mineral property interests (continued)

Changes in the project carrying amounts for the nine months ended September 30, 2018 are summarized as follows:

	Beginning Balance \$	Acquisitions/ Staking/ Assessments \$	Exploration and Evaluation \$	Write-offs \$	Option/sale Proceeds \$	Gain on Sale \$	Ending Balance \$
Yukon Projects							
Silver Range	160,928	-	1,608	-	-	-	162,536
Mel	776,905	-	-	-	(150,000)	-	626,905
Barb	36,003	-	-	-	-	-	36,003
Michelle	311,139	6,577	8,234	-	-	-	325,950
Total	1,284,975	6,577	9,842	-	(150,000)	-	1,151,394
Northwest Territories Projects							
Hare	31,282	5,420	-	-	-	-	36,702
Itchen	37,314	383	213	-	-	-	37,910
Cabin Lake	1,808	-	106	-	(35,000)	33,086	-
Sparta	10,122	-	490	-	-	-	10,612
Uptown Gold	435,008	-	701	-	(45,000)	-	390,709
Providence Greenstone Belt	541,218	18,330	8,396	(567,944)	-	-	-
Total	1,056,752	24,133	9,906	(567,944)	(80,000)	33,086	475,933
Nunavut Projects							
Hard Cash	742,261	5,000	11,715	-	-	-	758,976
Nigel	35,811	-	-	-	-	-	35,811
Uist	115,355	5,000	-	-	(1,429)	-	118,926
Yandle	175,471	-	300	-	-	-	175,771
Noomut	8,312	-	-	-	-	-	8,312
Quartzite	40,413	5,076	107	-	-	-	45,596
Happy Thought	11,220	-	-	-	-	-	11,220
Grumpy	9,698	-	-	-	-	-	9,698
Bling	182,643	3,380	307	-	(1,429)	-	184,901
Goldbugs	720,367	14,580	1,532	-	(1,429)	-	735,050
Esker Lake	153,932	-	-	-	(1,429)	-	152,503
Quannituq	65,726	-	-	-	(1,428)	-	64,298
Hiqiniq	6,138	-	-	-	(1,428)	-	4,710
Ujaraq	6,596	-	-	-	(1,428)	-	5,168
Contoyto	-	-	1,238	-	-	-	1,238
Tree River	3,100	-	83,081	-	-	-	86,181
Total	2,277,043	33,036	98,280	-	(10,000)	-	2,398,359
Nevada Projects							
Bellehelen	12,203	1,766	118	(772)	-	-	13,315
Black Star	-	-	3,824	-	-	-	3,824
Road Gold	44,210	-	-	(44,210)	-	-	-
Cold Springs	18,552	6,441	50,315	-	-	-	75,308
Gold Chief	117,964	9,392	6,364	-	-	-	133,720
Krug	11,011	1,766	11	-	-	-	12,788
Legal Tender	19,374	2,643	2,056	-	-	-	24,073
Loner	-	-	2,294	-	-	-	2,294
Rand	15,644	1,986	11	-	-	-	17,641
Posh	-	2,331	1,566	-	-	-	3,897
Robot	-	5,745	13,700	-	-	-	19,445
Skylight	88,265	3,520	13,484	-	-	-	105,269
Stinson	39,442	4,616	11	-	-	-	44,069
Strongbox	73,141	4,835	9,231	-	-	-	87,207
Lucky Boy	8,951	1,990	11	-	-	-	10,952
Enigma	72,095	4,620	4,152	-	-	-	80,867
Hannipah	10,698	2,862	1,016	-	-	-	14,576
East Goldfield	-	2,331	739	-	-	-	3,070
Stash	-	-	7,247	-	-	-	7,247
Bottom Dollar	-	5,747	21,311	-	-	-	27,058
Total	531,550	62,591	137,461	(44,982)	-	-	686,620
Total Projects	5,150,320	126,337	255,489	(612,926)	(240,000)	33,086	4,712,306

Silver Range Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements Unaudited – Prepared by Management

For the nine months ended September 30, 2018 and September 30, 2017

6. Mineral property interests (continued)

Exploration and evaluation expenditures on the projects consisted of the following:

Nine months ended September 30, 2018	Yukon	Northwest Territories	Nunavut	Nevada	Total
	\$	\$	\$	\$	\$
Assays	153	217	7,815	6,188	14,373
Field	1,175	1,953	12,277	5,588	20,993
Helicopter and fixed wing	-	7,415	48,361	-	55,776
Labour	8,408	321	1,304	14,905	24,938
Survey and consulting	-	-	22,172	97,098	119,270
Travel and accommodation	106	-	6,351	13,682	20,139
Total	9,842	9,906	98,280	137,461	255,489

The cumulative acquisition, exploration and evaluation costs incurred on the projects for all years and the current carrying values are as follows:

As at September 30, 2018	Cumulative costs, net	Write-offs	Carrying Value
	\$	\$	\$
Yukon	28,401,476	(27,250,082)	1,151,394
Northwest Territories	1,043,877	(567,944)	475,933
Nunavut	2,398,359	-	2,398,359
Nevada	731,602	(44,982)	686,620
Total	32,575,314	(27,863,008)	4,712,306

Option and sale proceeds on the projects for the nine months ended September 30, 2018 and September 30, 2017 consisted of the following:

	September 30, 2018	September 30, 2017
	\$	\$
Yukon Projects	150,000	100,000
Northwest Territories Projects	80,000	90,000
Nunavut Projects	10,000	-
	240,000	190,000

Certain of the Company's mineral property interests are subject to option out or sale agreements, earn-in or purchase agreements or net smelter return royalties ("NSR"), as detailed below.

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements
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For the nine months ended September 30, 2018 and September 30, 2017

6. Mineral property interests (continued)**(a) Yukon projects****(i) Silver Range project**

The Silver Range and Mint group of claims were acquired in January 2011 from Strategic, by the issue of Silver Range common shares and warrants having a value of \$2,954,026. The claims are located in the Whitehorse Mining District, Yukon Territory. The projects were considered impaired in 2015 and written-down to a \$14 carrying value. The Mint project was sold in 2015 (see note 6(a)(iii)).

The Silver Range project also includes the JRV claims which were purchased in 2011 for cash and shares totalling \$309,000. The JVR claims are subject to a 2% NSR on any commercial production of precious metals and a 1% NSR on commercial production of other metals. One-half of the NSR on the precious metals NSR can be purchased by the Company for \$1,500,000.

The Silver Range project also includes the BP4 claim which was acquired in 2015 for \$1. The BP4 claim is subject to a prior 2% NSR to a third party.

In 2016, the Company signed a Letter of Intent ("LOI") to option out its Silver Range project to a private British Columbia company for future shares and a retained 2% and 1% NSR. The transaction is still pending.

(ii) Mel and Barb projects

The Mel and Barb projects were purchased in 2014 for \$220,000. The claims are located in the Watson Lake Mining District, Yukon Territory. The Mel project is subject to a prior 1% NSR on any commercial production from the property and there is an additional 1% NSR due to the vendor of the properties on both the Mel and Barb projects, which may be purchased at any time for \$1,000,000.

On March 14, 2017, the Company entered into an Agreement with Benz Mining Corp. ("Benz") for the sale of a 100% interest in the Company's Mel property. Under the Agreement, Benz can acquire the property for consideration of \$2,700,000 in cash or shares, payable over a five-year period as follows:

To earn a 100% interest the following payments in cash or shares are required:

- \$20,000 on acceptance by the TSX-V (received);
- \$80,000 on or before July 12, 2017 (received);
- \$150,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$75,000 calculated using the applicable volume weighted average price ("VWAP"), on or before March 14, 2018 (received);
- \$300,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$150,000 calculated using the VWAP, on or before March 14, 2019;
- \$600,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$450,000 calculated using the VWAP, on or before March 14, 2020;
- \$1,200,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$1,200,000 calculated using the VWAP, on or before March 14, 2021; and
- \$350,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$350,000 calculated using the VWAP, on or before the earlier of March 14, 2022 or the commencement of commercial production.

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6. Mineral property interests (continued)**(a) Yukon projects (continued)****(iii) Michelle project**

The Michelle property was acquired in 2015 in exchange for cash and the Company's Mint property. The Michelle property is located in the Dawson and Mayo Mining Districts, Yukon Territory.

See note 14(a) for details of a subsequent agreement to option the project.

(b) Northwest Territories, Nunavut, and Nevada projects**Panarc transaction**

On July 8, 2016, the Company completed the purchase of various mineral properties located in the Northwest Territories and Nunavut, Canada, and in Nevada, USA, from Panarc. On closing, Panarc was issued 10,000,000 common shares of the Company at a price of \$0.205 per share for total consideration of \$2,050,000. Panarc did not retain any royalty or other interest in any of the acquired properties. The purchase price was allocated to the various properties based on the hectares of each property.

Prior to the sale of the properties, Panarc applied for a Northwest Territories mining exploration grant on the Uptown Gold property expenditures. A grant of \$53,870 was approved and received by Panarc in the 2017 year and paid to the Company and recorded as a reduction of the Uptown Gold deferred exploration expenditures.

Northwest Territories projects**(i) Uptown Gold property option**

By Agreement dated September 9, 2016, and amended August 15, 2017, April 6, 2018 and September 5, 2018, the Company granted Rover the right to earn up to a 100% interest in the Company's Uptown Gold property. For a 75% interest Rover must issue Silver Range 7.5% of its outstanding common shares, make cash payments of \$300,000 and incur exploration expenditures of \$1,600,000 on or before September 9, 2020. Rover has issued the Company 1,970,694 common shares at a value of \$0.05 each for total consideration of \$98,535 as detailed in note 4.

To complete the 75% earn-in, the following payments and expenditures are required:

- Cash payments of \$300,000:
 - \$30,000 on or before March 9, 2017 (received);
 - \$60,000 on or before September 9, 2017 (received);
 - \$45,000 on or before September 9, 2018 (received);
 - \$45,000 in cash or shares on or before April 30, 2019; and
 - \$120,000 on or before February 28, 2020.
- Incurring exploration expenditures of \$1,600,000:
 - \$350,000 on or before September 9, 2017 (incurred);
 - \$500,000 on or before February 28, 2020; and
 - \$750,000 on or before September 9, 2020.

Should Rover attain its 75% interest and not proceed to acquire the remaining interest, a joint venture would be formed to further explore the properties, unless otherwise agreed.

For an additional 25% interest, Rover is required to issue Silver Range the lesser of 4.5% of its outstanding common shares, or 2,500,000 common shares on or before September 30, 2020.

Should Rover attain either a 75% or a 100% interest in the property the Company would retain a 2% NSR from any commercial production, which would require annual advance royalty payments of \$50,000 beginning in 2021. One-half of the NSR may be purchased by Rover for \$1,000,000. The properties are subject to an area of mutual interest extending three kilometres from the borders of the properties.

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6. Mineral property interests (continued)**(b) Northwest Territories, Nunavut, and Nevada projects (continued)****(ii) Providence Greenstone Belt property option**

On September 6, 2017, the Company signed an agreement with GGL Resources Corp. (“GGL”) to option certain claims and mining leases (“Project Area”) within the Providence Greenstone Belt (“PGB”) in the Northwest Territories. The agreement gave the Company the right to explore the Project Area for all metals and minerals, except diamonds.

Under the agreement, the Company made a cash payment of \$33,200 and GGL was issued 1,000,000 common shares at a price of \$0.20 per share, for total consideration \$233,200. The Company was also required to convert all mineral claims into mining leases and maintain all PGB mining leases for at least one year, but thereafter, only to maintain those mining leases related to the option.

In April 2018, the Company terminated the agreement, and wrote-off its cumulative acquisition and exploration expenditures of \$567,944.

(iii) Cabin Lake property option

By agreement dated November 7, 2017, and amended on August 9, 2018, the Company agreed to sell 100% of its Cabin Lake property located in the Northwest Territories, to Rover. A \$5,000 payment was received on signing, and a final payment of \$35,000 was received on August 3, 2018, which completed the sale. A gain of \$33,086 was recognized on the disposition.

The Company retains a 2% NSR on all mineral production from the Cabin Lake property and Rover is required to make annual advance royalty payments equal to the lesser of \$20,000 or 7% of annual exploration expenditures by Rover for each of the calendar years 2019, 2020 and 2021, and thereafter at \$20,000 per year. The advance royalty payments cease once a total of \$220,000 has been paid.

Rover has the right to acquire up to 1.5% of the 2% NSR by making payments of either \$750,000 or \$1,500,000, depending on the indicated gold reserves that may be reported.

Nunavut projects

On March 5, 2018, and amended on May 28, 2018, the Company signed a Letter of Intent (“LOI”) with Amaroq Gold Corp. (“Amaroq”) to sell Amaroq a 100% interest in the Company’s Bling, Esker Lake, Gold Bugs, Hiqiniq, Qannitug, Uist and Ujaraq claims and three prospecting permits located in Nunavut, Canada. Under the LOI, the Company will receive cash and Amaroq common shares staged over five years from when Amaroq receives a TSX-V or Canadian Securities Exchange Listing (“listing”).

The Company will receive cash and common shares from Amaroq based on the following schedule:

- Cash payments of \$1,725,000:
 - \$10,000 on signing of the LOI (received);
 - \$40,000 on the earlier of receiving a listing or December 31, 2018;
 - \$75,000 on or before first anniversary of the listing;
 - \$100,000 on or before second anniversary of the listing;
 - \$200,000 on or before third anniversary of the listing;
 - \$300,000 on or before fourth anniversary of the listing; and
 - \$1,000,000 on or before fifth anniversary of the listing.

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements
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6. Mineral property interests (continued)**(b) Northwest Territories, Nunavut, and Nevada projects (continued)****Nunavut projects (continued)**

- Common shares of Amaroq:
 - 5% of Amaroq's common shares at the time Amaroq obtains a listing;
 - 100,000 common shares on or before the first anniversary of the listing;
 - 200,000 common shares on or before the second anniversary of the listing;
 - 300,000 common shares on or before the third anniversary of the listing; and
 - 400,000 common shares on or before the fourth anniversary of the listing.

The Company will retain a 3% NSR on all mineral production from the projects, of which up to 2% can be purchased for \$4,000,000. The Company will be the project operator for the first year and will receive a management fee equal to 5% of exploration expenditures.

In addition to the NSR, the Company is entitled to a one-time cash payment of \$500,000 if Amaroq releases a preliminary economic assessment measuring or containing 500,000 ounces of gold from any location on any of the claims.

Either party may terminate the LOI if not formalized by December 31, 2018 or if a listing is not obtained by December 31, 2018.

Nevada projects

- (i) On February 27, 2018, the Company signed a letter of intent to option to Trifecta Gold Ltd. ("Trifecta") up to a 75% interest in the Company's newly acquired Yuge property.

For a 51% interest Trifecta is required to:

- Reimburse staking and recording costs of approximately US\$7,100 (received \$9,066);
- Incur US\$1,000,000 in exploration expenditures on or before February 28, 2021;
- Pay the Company US\$250,000 cash and/or shares at Trifecta's election, on or before February 28, 2021;
- Grant the Company a 1% NSR on all commercial production from Trifecta's 51% interest; and
- Grant the Company a success fee of US\$1 per ounce, payable upon completion of a Preliminary Economic Assessment based on measured and indicated resources greater than 500,000 ounces.

For an additional 24% interest Trifecta is required to:

- Complete an additional US\$2,000,000 in exploration expenditures on or before February 28, 2023;
- Pay the Company US \$500,000 cash and/or shares at Trifecta's election, on or before February 28, 2023; and
- Grant the Company an additional 1% NSR on all commercial production, so that the Company will retain in total a 2% NSR on Trifecta's 75% interest, of which 1% can be purchased by Trifecta for US\$1,000,000 at any time prior to production.

The Company will act as the project operator for the first phase of exploration in return for a 10% management fee. Once fully vested, a Joint Venture would be formed to continue exploration of the property. Should either party's interest be diluted to below 10%, it would be converted into a 1% NSR, half of which could be purchased for US\$1,000,000.

- (ii) See note 14(b) for details of a subsequent option of the Nevada Gold Chief property.

7. Reclamation deposits

The reclamation deposits are comprised of cashable guaranteed investment certificates with one-year terms. They are pledged to the Northwest Territories and Nunavut Governments and the State of Nevada to ensure specified properties are properly restored after exploration. Management has determined that the Company has no material reclamation work related to the properties requiring the deposits.

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8. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. All issued shares are fully paid.

**Transactions for the issue of share capital
during the nine months ended September 30, 2018:**

- (a) The Company issued 72,500 common shares on the exercise of options for proceeds of \$9,425. In addition, \$6,580 representing the fair value of the options on initial vesting was re-allocated from contributed surplus to share capital.
- (b) On April 17, 2018, the Company issued 4,615,333 units at a price of \$0.15 per unit for a total consideration of \$692,300. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.25 until April 17, 2020. A finder's fee of \$900 was paid in respect of the placement. Legal and filing fees amounted to \$8,412 and have been included with the finder's fee and recorded as a share issue cost and deducted from share capital. No value was allocated to warrants in connection with the unit offering completed.

**Transactions for the issue of share capital
during the nine months ended September 30, 2017:**

- (c) On February 17, 2017, the Company issued 4,687,500 units at a price of \$0.16 per unit for a total consideration of \$750,000. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.25 until February 17, 2019. No finder's fees were paid in respect of the placement. Legal and filing fees amounted to \$8,700 and were recorded as a share issue cost and deducted from share capital. No value was allocated to warrants in connection with the unit offering completed.
- (d) On April 11, 2017, the Company issued 4,000,000 units at a price of \$0.20 per unit for a total consideration of \$800,000. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.30 until April 11, 2019. Finder's fees of \$9,000 were paid in respect of the placement and legal and filing fees amounted to \$12,200, for total share issue costs of \$21,200, were deducted from share capital. No value was allocated to warrants in connection with the unit offering completed.
- (a) On September 8, 2017, the Company issued 1,000,000 common shares at a price of \$0.20 per share for total consideration of \$200,000, as partial payment under its agreement to option certain PGB claims and mining leases from GGL (see note 6(b)(ii)). The share price was determined based on the closing price of the Company shares on the date of issue. Legal fees amounted to \$8,500 and were recorded as a share issue cost and deducted from share capital.

Stock options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of common shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the number of issued shares of the Company at the time of grant. Options granted under the Plan may have a maximum term of ten years. A participant who is not a consultant conducting investor relations activities, who is granted an option that is exercisable at or above the market price at the date of grant, can have their options vest immediately, unless otherwise determined by the Board of Directors. A participant who is a consultant conducting investor relations activities, who is granted options under the Plan, will become vested with the right to exercise one-quarter of the options upon conclusion of every three months subsequent to the grant date. All options are to be settled by physical delivery of common shares.

Silver Range Resources Ltd.

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8. Share capital (continued)

Stock options (continued)

A summary of the status of the Company's stock options as at September 30, 2018 and December 31, 2017 and changes during the period/year then ended is as follows:

	Nine months ended September 30, 2018		Year ended December 31, 2017	
	Options #	Weighted average exercise price \$	Options #	Weighted average exercise price \$
Options outstanding, beginning of period/year	4,457,500	0.22	3,580,000	0.22
Granted	900,000	0.16	2,730,000	0.24
Exercised	(72,500)	0.13	(377,500)	0.13
Expired/Cancelled	(415,000)	0.24	(1,475,000)	0.30
Options outstanding, end of period/year	4,870,000	0.21	4,457,500	0.22

As at September 30, 2018, the Company has stock options outstanding and exercisable as follows:

	Options outstanding #	Options exercisable #	Exercise price \$	Expiry date
(1)	25,000	25,000	0.30	October 31, 2018
	1,035,000	1,035,000	0.15	July 21, 2019
	400,000	400,000	0.21	July 11, 2021
	150,000	150,000	0.15	January 5, 2022
	2,360,000	2,360,000	0.25	June 19, 2022
	400,000	200,000	0.15	February 8, 2023
	500,000	250,000	0.17	March 14, 2023
	4,870,000	4,420,000		

(1) These stock options subsequently expired unexercised

The following table summarizes information about the stock options outstanding at September 30, 2018:

Exercise prices \$	Options #	Weighted average remaining life (years)	Weighted average exercise price \$
0.15 - 0.21	2,485,000	2.58	0.16
0.25 - 0.30	2,385,000	3.68	0.25
	4,870,000	3.12	0.21

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements
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For the nine months ended September 30, 2018 and September 30, 2017

8. Share capital (continued)**Stock options (continued)**

During the nine months ended September 30, 2018, 900,000 stock options were granted to an Officer and certain technical committee members. The Company recorded the fair value of the options granted using the Black-Scholes option pricing model. Share-based payment costs were calculated using the following weighted average assumptions: expected life of options - five years, stock price volatility – 90.26%, no dividend yield, and a risk-free interest rate yield – 2.04%. The fair value is particularly impacted by the Company's stock price volatility, determined using data from the previous five years. Using the above assumptions, the weighted average fair value of options granted during the nine months ended September 30, 2018, was approximately \$0.107 each, for a total of \$95,945.

During the nine months ended September 30, 2017, 2,730,000 stock options were granted to Officers, Directors, related company employees and consultants. The Company recorded the fair value of the options granted using the Black-Scholes option pricing model. The Company recorded the fair value of the options granted using the following weighted average assumptions: expected life of options - five years, stock price volatility – 101.73%, no dividend yield, and a risk-free interest rate yield – 1.16%. The fair value was particularly impacted by the Company's stock price volatility, determined using data from the previous five years. Using the above assumptions, the weighted average fair value of options granted during the nine months ended September 30, 2017 was approximately \$0.18 each, for a total of \$479,405.

The total share-based payment expense for the nine months ended September 30, 2018, was \$173,377 (2017 - \$291,278), which is presented as a general and administrative expense, and includes only options that vested during the period.

During the nine months ended September 30, 2018, 415,000 options were cancelled as a result of certain employees, directors, and consultants leaving employment. The original fair value of the expired options was \$72,255, and on vesting was charged to share-based payment expense and credited to contributed surplus. As a result of the cancellation of the options, \$72,255 was reversed from contributed surplus and deducted from deficit.

No stock options were exercised or expired/cancelled during the nine months ended September 30, 2017.

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to warrants attached to units sold in completed private placements. Finders' warrants may be issued as a private placement share issue cost and are valued using the Black-Scholes option pricing model.

A summary of the status of the Company's warrants as at September 30, 2018 and December 31, 2017, and changes during the period/year then ended is as follows:

	Nine months ended September 30, 2018		Year ended December 31, 2017	
	Warrants #	Weighted average exercise price \$	Warrants #	Weighted average exercise price \$
Warrants outstanding, beginning of period/year	8,687,500	0.27	-	-
Issued	4,615,333	0.15	8,687,500	0.27
Warrants outstanding, end of period/year	13,302,833	0.23	8,687,500	0.27

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements
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8. Share capital (continued)**Warrants (continued)**

The following table summarizes information about the warrants outstanding at September 30, 2018:

Exercise price \$	Warrants #	Weighted average remaining life (years)	Expiry date
0.25	4,687,500	0.38	February 17, 2019
0.30	4,000,000	0.53	April 11, 2019
0.25	4,615,333	1.55	April 17, 2020
	13,302,833	0.83	

Contributed surplus

Contributed surplus is comprised of the accumulated fair value of stock options recognized as share-based payments and the premium recognized any company share buy-backs or forfeited shares. Contributed surplus is increased by the fair value of stock options recognized as share-based payments on vesting and is reduced by corresponding amounts when stock options expire, are exercised, or cancelled. Contributed surplus is comprised of the following:

	Forfeited shares \$	Options \$	Total \$
January 1, 2017	-	296,634	296,634
Options vesting	-	291,278	291,278
September 30, 2017	-	587,912	587,912
January 1, 2018	9,874	503,635	513,509
Options vesting	-	173,377	173,377
Options exercised	-	(6,580)	(6,580)
Options cancelled	-	(72,255)	(72,255)
September 30, 2018	9,874	598,177	608,051

9. Loss per share

The calculation of basic and diluted loss per share for the nine months ended September 30, 2018, was based on a loss of \$1,108,978 (2017 - \$704,369) and a weighted average number of common shares outstanding of 70,328,040 (2017 – 63,901,249).

All stock options and warrants were excluded from the diluted weighted average number of common shares calculation, as their effect would have been anti-dilutive.

10. Related party payables and transactions

A number of key management personnel and Directors hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. There were no loans to management personnel or Directors, or entities over which they have control or significant influence during the nine months ended September 30, 2018 or September 30, 2017.

Key management personnel and Directors receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company, other than noted below, and there are no employment contracts with them that cannot be terminated without penalty on thirty days' advance notice. Key management personnel and Directors participate in the Company's stock option plan.

During the nine months ended September 30, 2018, 500,000 stock options (2017 – 1,955,000) were granted to key management personnel having a fair value on issue of \$55,530 (2017 - \$350,512). The options granted are exercisable at \$0.17 until March 14, 2023 and vest over a one-year period ending March 14, 2019.

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10. Related party payables and transactions (continued)

During the nine months ended September 30, 2018, the Company's CEO exercised 72,500 options for proceeds to the Company of \$9,425. No options were exercised during the nine months ended September 30, 2017.

During the nine months ended September 30, 2018, 300,000 stock options were cancelled on a Director's resignation. The original fair value of the cancelled options was \$52,232, and on cancellation was reversed from contributed surplus and deducted from deficit.

The Company transacted with the following related parties:

- (a) Douglas Eaton is a Director. He controls Archer, Cathro & Associates (1981) Limited ("Archer Cathro"), which is a geological consulting firm. Archer Cathro provides the Company with geological consulting services, including mineral property location, acquisition, exploration and evaluation, management, and office rent and administration.
- (b) Glenn Yeadon is the Company's Secretary. He controls Glenn R. Yeadon Personal Law Corporation ("Yeadon Law Corp."), which provides the Company with legal services.
- (c) Larry Donaldson is the Company's CFO. He is a partner of Donaldson Grassi, Chartered Professional Accountants, a firm in which he has significant influence. Donaldson Grassi provides the Company with accounting and tax services.
- (d) Ian Talbot is the Company's COO. He provides the Company with management services.
- (e) Michael Power is the Company's President and CEO. He controls Paladin Geoscience Corp. ("Paladin Corp."), which provides the Company with consulting services. He also has a financial interest in Panarc, which was party to the mineral property transaction with the Company as detailed in note 6(b).
- (f) Richard Drechsler is the Company's Vice-President of Communications. He controls Drechsler Consulting Ltd. ("Drechsler Consulting"), which effective February 16, 2018, is providing the Company with his management and administrative services. Prior to February 16, 2018, he was employed by Archer Cathro who billed the Company for his services.

The aggregate value of transactions and outstanding balances with key management personnel and Directors and entities over which they have control or significant influence were as follows:

	Transactions for the nine months ended September 30, 2018 \$	Transactions for the nine months ended September 30, 2017 \$	Balances outstanding September 30, 2018 \$	Balances outstanding December 31, 2017 \$
Archer Cathro				
- geological services	20,719	107,026	2,020	578
- rent and administration	42,710	70,015	20,714	5,791
	63,429	177,041	22,734	6,369
Yeadon Law Corp. (1)	32,578	47,135	4,490	3,948
Donaldson Grassi	31,750	31,634	9,500	12,000
Ian Talbot	30,844	26,906	-	3,149
Paladin Corp.	99,600	93,825	-	2,560
Drechsler Consulting	17,145	-	-	-
	275,346	376,541	36,724	28,026

(1) Includes \$4,200 in share issue costs for the nine months ended September 30, 2018

All related party balances are unsecured and are due within thirty days without interest.

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For the nine months ended September 30, 2018 and September 30, 2017

10. Related party payables and transactions (continued)

The transactions with the key management personnel and Directors are included in general and administrative expenses as follows:

- (a) Consulting fees
- Includes the consulting fees paid to the Company's president and CEO, Mike Power, charged to the Company by Paladin Corp.
- (b) Management, administration and corporate development fees
- Includes the services of Company's COO, Ian Talbot.
 - Includes the services of Company's Vice President of Communications, Richard Drechsler, charged to the Company by Archer Cathro and Drechsler Consulting.
 - Includes charges by Archer Cathro for administrative and investor relations personnel.
- (c) Office rent
- Charged by Archer Cathro.
- (d) Professional fees
- Includes the legal services of the Company's Secretary, Glenn Yeadon, charged to the Company by Yeadon Law Corp.
 - Includes the accounting services of Company's CFO, Larry Donaldson, charged to the Company by Donaldson Grassi.
- (e) Mineral property examination costs
- Includes charges by Archer Cathro for exploration personnel.

11. Income taxes

Income tax recovery varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	Nine months ended September 30, 2018 \$	Nine months ended September 30, 2017 \$
Loss for the period before income taxes	(1,108,978)	(704,369)
Statutory Canadian corporate tax rate	27.0%	26.0%
Anticipated income tax recovery	299,424	183,136
Change in tax resulting from:		
Tax benefits on losses not recognized	(248,602)	(107,404)
Unrecognized items for tax purposes	(50,822)	(75,732)
Net deferred income tax recovery	-	-

In September 2017, the British Columbia (BC) Government proposed changes to the general corporate income tax rate to increase the rate from 11% to 12% effective January 1, 2018 and onwards. This change in tax rate was substantively enacted on October 26, 2017. The relevant deferred tax balances have been remeasured to reflect the increase in the Company's combined Federal and Provincial (BC) general corporate income tax rate from 26% to 27%.

As at September 30, 2018, the Company has unclaimed resource and other deductions in the amount of \$21,591,391 (December 31, 2017 - \$21,452,928), which may be deducted against future taxable income. These costs are \$16,879,085 more than the carrying value of the mineral property interests mainly because of the large impairment charge in 2015. The tax benefit of \$4,557,353 on the difference has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the deductions.

As at September 30, 2018, the Company has unused non-capital losses of approximately \$3,325,000, of which \$219,000 will expire in 2031, \$576,000 in 2032, \$551,000 in 2033, \$372,000 in 2034, \$303,000 in 2035 and \$1,304,000 thereafter. The tax benefit of approximately \$900,000 on the losses has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the losses.

Silver Range Resources Ltd.**Notes to the Condensed Consolidated Interim Financial Statements
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11. Income taxes (continued)

As at September 30, 2018, there are share issue costs totaling \$32,875 (December 31, 2017 – \$30,720), which have not been claimed for income tax purposes. The tax benefit of approximately \$9,000 on the cost has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the deductions.

As at September 30, 2018, the Company has unused investment tax credits of approximately \$1,320,000 (December 31, 2017 - \$1,320,000), of which \$1,137,000 will expire in 2031, \$87,000 in 2032 and \$96,000 in 2033. The tax benefit of \$963,675 on the credits has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the credits.

Income tax attributes are subject to review, and potential adjustments, by tax authorities.

12. Supplemental cash flow information

Changes in non-cash operating working capital during the nine months ended September 30, 2018 and September 30, 2017 were comprised of the following:

	September 30, 2018	September 30, 2017
	\$	\$
Receivables and prepayments	(6,627)	(26,135)
Accounts payable and accrued liabilities	(18,532)	496
Accounts payable to related parties	(7,227)	(26,302)
Net change	(32,386)	(51,941)

The Company incurred non-cash investing activities during the nine months ended September 30, 2018 and September 30, 2017, which were comprised of the following:

	September 30, 2018	September 30, 2017
	\$	\$
Non-cash financing activities:		
Issue of common shares for mineral property interests	-	200,000
Non-cash investing activities:		
Acquisition costs of mineral property interests by share issue	-	(200,000)
Marketable securities received on optioned properties	(75,000)	-
Mineral property option proceeds received by marketable securities	75,000	-
Deferred exploration and evaluation expenditures included in accounts payable and accounts payable to related parties	124,866	441,895
	124,866	241,895

During the nine months ended September 30, 2018 and September 30, 2017, no amounts were paid for interest or income tax expenses.

13. Financial risk management**Capital management**

The Company is a junior resource exploration company and considers items included in shareholders' equity as capital. The Company has no debt and does not expect to enter into debt financing. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at September 30, 2018, is comprised of shareholders' equity of \$5,466,689 (December 31, 2017 - \$5,709,877).

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13. Financial risk management (continued)

The Company currently has no source of revenues. In order to fund future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to borrow or raise additional financing from equity markets.

Financial instruments - fair value

The Company's financial instruments consist of cash, receivables, marketable securities, accounts payable and accrued liabilities, and accounts payable to related parties.

The carrying value of accounts payable and accrued liabilities and accounts payable to related parties approximated their fair value because of the short-term nature of these instruments.

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
September 30, 2018				
Cash	588,805	-	-	588,805
Marketable securities	143,827	-	-	143,827
	732,632	-	-	732,632
December 31, 2017				
Cash	383,917	-	-	383,917
Marketable securities	-	-	98,535	98,535
	383,917	-	98,535	482,452

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk and market and currency risk.

(a) Credit risk

The Company is exposed to credit risk by holding cash. This risk is minimized by holding the funds in Canadian banks or with Canadian governments. The Company has minimal accounts receivable exposure, and its various refundable credits are due from Canadian governments.

(b) Interest rate risk

The Company is exposed to interest rate risk because of fluctuating interest rates. Fluctuations in market rates do not have a significant impact on the Company's operations due to the short term to maturity. For the nine months ended September 30, 2018, every 1% fluctuation in interest rates up or down would have impacted loss for the period, up or down, by approximately \$1,000 (2017 - \$10,500) before income taxes.

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For the nine months ended September 30, 2018 and September 30, 2017

13. Financial risk management (continued)**Financial instruments – risk (continued)****(c) Liquidity risk**

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

(d) Market risk

The Company is exposed to market risk because of the fluctuating values of its marketable securities. The Company has no control over these fluctuations and does not hedge its investments. Based on the September 30, 2018, portfolio value, every 10% increase or decrease in the share price of the securities would have impacted loss for the period, up or down, by approximately \$14,000 (2017 - \$10,000) before income taxes.

(e) Currency risk

The Company is exposed to currency risk because it holds funds in United States Dollars ("USD"), which, because of fluctuating exchange rates can create gains or losses at the time the funds are converted to Canadian dollars. The Company has no control over these fluctuations and does not hedge its foreign currency holdings. Based on its September 30, 2018, USD holdings, every 5% increase or decrease in the exchange rate would have impacted loss for the period, up or down, by approximately \$2,000 (2017 - \$250) before income taxes.

14. Events after the reporting period**a) Option of Michelle project**

On October 17, 2018, the Company entered into an agreement with Zinciferous Limited ("Zinciferous") to option to Zinciferous a 100% interest in the Michelle project (note 6(a)(iii)). Under the agreement, Zinciferous can acquire the project for consideration as follows:

- \$10,000 cash payable to the Company within 7 days of executing the agreement (subsequently received);
- \$50,000 cash payable to the Company on or before October 17, 2019; and
- Issue to the Company common shares of Zinciferous equal to \$50,000 on or before October 17, 2019.

Exercise of the option is conditional upon Zinciferous obtaining a public listing before October 30, 2019.

Zinciferous will grant the Company a 3% NSR, of which 1.5% may be bought back by Zinciferous for consideration of \$1,000,000 payable in cash or common shares at Zinciferous' discretion.

Zinciferous has an obligation to incur minimum expenditures of \$600,000 within 24 months of obtaining a public listing. If the expenditure commitment is not met, Zinciferous may offer the project back to the Company for consideration of \$10,000 or an amount based on the expenditure obligation deficiency. Additional cash or common share amounts may be payable to the Company should Zinciferous establish specific NI 43-101 compliant Indicated Resource amounts, complete a bankable feasibility study, or enter commercial production.

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14. Events after the reporting period (continued)**b) Option of Gold Chief property**

On November 1, 2018, the Company signed an option agreement with Crocan Capital Corp. (“Crocan”), giving Crocan the right to purchase a 100% interest in the Gold Chief property for consideration as follows:

Cash payments of \$160,000:

- \$10,000 upon execution of the agreement;
- \$10,000 upon completion of a public listing by Crocan;
- \$20,000 on or before November 1, 2019;
- \$20,000 on or before November 1, 2020; and
- \$100,000 on or before November 1, 2021.

650,000 common shares of Crocan:

- 50,000 shares upon completion of a public listing by Crocan;
- 100,000 shares on or before November 1, 2019;
- 200,000 shares on or before November 1, 2020; and
- 300,000 shares on or before November 1, 2021.

Exercise of the option is conditional upon Crocan obtaining a public listing before June 30, 2019. Upon Crocan exercising the option, the Company will retain a 2% NSR of which one-half can be purchased by Crocan for \$1,000,000. The Company is also entitled to receive a one-time cash payment of \$2 per ounce of gold or equivalent identified as measured or indicated resource compliant with NI 43-101, and a further \$2 per ounce for proven or probable mineral reserve compliant with NI 43-101.

c) Granting of stock options

On October 26, 2018, 100,000 stock options exercisable at a price of \$0.15 per share for a period expiring on October 26, 2023 were granted to a consultant.