

92 RESOURCES CORP.

Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

**Notice of No Auditor Review of Condensed Interim Consolidated
Financial Statements**

The accompanying unaudited condensed interim consolidated financial statements have been prepared by management and approved by the Audit Committee.

The Company's independent auditors have not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

92 RESOURCES CORP.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

| | Notes | As at 30 September 2017 \$ | As at 31 March 2017 (Audited) \$ |
|---------------------------------------------------|-------|-------------------------------------|----------------------------------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | 537,077 | 963,627 |
| Amounts receivable | 5 | 29,154 | 15,361 |
| Prepaid expenses | 6 | 87,778 | 53,613 |
| | | 654,009 | 1,032,601 |
| Exploration and evaluation properties | 7 | 1,484,891 | 1,070,207 |
| Total assets | | 2,138,900 | 2,102,808 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Current liabilities | | | |
| Trade payables and accrued liabilities | 8 | 52,899 | 52,899 |
| Flow-through premium liability | 16 | 10,558 | 24,867 |
| Total liabilities | | 63,457 | 77,766 |
| Shareholders' equity | | | |
| Share capital | 9 | 7,209,690 | 7,009,690 |
| Reserves | 9 | 872,736 | 622,041 |
| Deficit | | (6,006,983) | (5,606,689) |
| Total equity | | 2,075,443 | 2,025,042 |
| Total shareholders' equity and liabilities | | 2,138,900 | 2,102,808 |

Corporate Information and Going Concern (Note 1)

Commitments (Note 15)

Events after the Reporting Period (Note 17)

APPROVED BY THE BOARD:

"Adrian Lamoureux"

Director

"Robert Findlay"

Director

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

92 RESOURCES CORP.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

| | Notes | Three months ended 30 September | | Six months ended 30 September | |
|-------------------------------------------------------|-------|------------------------------------|------------------|----------------------------------|------------------|
| | | 2017 \$ | 2016 \$ | 2017 \$ | 2016 \$ |
| Expenses | | | | | |
| Advertising | | 54,872 | 16,863 | 60,251 | 84,713 |
| Bank and interest charges | | 499 | 585 | 671 | 613 |
| Consulting | 13 | 61,000 | 7,500 | 85,869 | 13,000 |
| Donation | | 590 | 6,500 | 590 | 6,500 |
| Investor communications | | 3,763 | 8,270 | 3,763 | 9,321 |
| Management and administration fees | 13 | 38,831 | 42,500 | 78,328 | 80,000 |
| Meals and entertainment | | 1,781 | - | 3,082 | - |
| Office and miscellaneous | | 576 | 8,975 | 1,379 | 14,658 |
| Professional fees | | 16,612 | 12,703 | 25,933 | 16,798 |
| Rent and property taxes | | 3,044 | 2,029 | 6,088 | 6,088 |
| Share-based compensation | 11,13 | 18,813 | 63,255 | 96,495 | 148,068 |
| Transfer agent and filing fees | | 6,112 | 7,647 | 45,220 | 11,126 |
| Travel | | 1,624 | - | 6,993 | - |
| Net loss for the period before other items | | (208,117) | (176,827) | (414,662) | (390,885) |
| Other items | | | | | |
| Interest income | | 25 | 15 | 59 | 15 |
| Flow-through income | 16 | 8,709 | - | 14,309 | - |
| Net loss and comprehensive loss for the period | | (199,383) | (176,812) | (400,294) | (390,870) |
| Loss per share | | | | | |
| Basic and diluted | 10 | (0.004) | (0.004) | (0.007) | (0.015) |

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

92 RESOURCES CORP.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

| | Three months ended 30 September | | Six months ended 30 September | |
|-------------------------------------------------------------------|------------------------------------|------------------|----------------------------------|------------------|
| | 2017 \$ | 2016 \$ | 2017 \$ | 2016 \$ |
| OPERATING ACTIVITIES | | | | |
| Net loss for the period | (199,383) | (176,812) | (400,294) | (390,870) |
| Adjustments for: | | | | |
| Interest (income) accruals | (23) | 15 | (57) | 15 |
| Flow-through income | (8,709) | - | (14,309) | - |
| Share based payment | 18,813 | 63,255 | 96,495 | 148,068 |
| Changes in non-cash working capital items | | | | |
| Decrease (increase) in amounts receivable | 12,494 | (9,189) | 7,264 | (13,238) |
| Increase (decrease) in trade payables and accrued liabilities | - | 75 | - | (5,729) |
| Decrease (increase) in prepaid expenses | (51,511) | 890 | (34,165) | (3,066) |
| Cash used in operating activities | (228,319) | (121,766) | (345,066) | (264,820) |
| FINANCING ACTIVITIES | | | | |
| Proceeds from issuance of common shares, net of share issue costs | - | 133,500 | - | 1,258,470 |
| Repayment of loans payable | - | - | - | (1,000) |
| Cash from financing activities | - | 133,500 | - | 1,257,470 |
| INVESTING ACTIVITIES | | | | |
| Exploration and evaluation property expenditures | (114,453) | (196,707) | (200,484) | (246,264) |
| Government grants received | 119,000 | - | 119,000 | - |
| Cash used in investing activities | 4,547 | (196,707) | (81,484) | (246,264) |
| Increase in cash and cash equivalents | (223,772) | (184,973) | (426,550) | 746,386 |
| Cash and cash equivalents, beginning of period | 760,849 | 984,166 | 963,627 | 52,807 |
| Cash and cash equivalents, end of period | 537,077 | 799,193 | 537,077 | 799,193 |

Supplemental cash flow information (Note 14)

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

92 RESOURCES CORP.

Condensed Interim Consolidated Statements of Changes in Equity (Deficiency)

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

| | Number of shares | Share capital \$ | Reserves \$ | Deficit \$ | Total \$ |
|----------------------------------------|---------------------|------------------------|----------------|--------------------|------------------|
| Balances, 1 April 2016 | 25,314,923 | 4,337,615 | 490,583 | (4,642,443) | 185,755 |
| Shares issued for cash | | | | | |
| Cash | 2,190,000 | 109,500 | - | - | 109,500 |
| Stock Options exercised | 955,000 | 93,658 | (36,658) | - | 57,000 |
| Warrants exercised | 13,061,700 | 1,194,748 | (99,578) | - | 1,095,170 |
| Shares issued for mineral properties | 3,500,000 | 465,000 | - | - | 465,000 |
| Share issue costs – cash | - | (3,200) | - | - | (3,200) |
| Share issue costs – agent warrants | - | (6,315) | 6,315 | - | - |
| Share-based payments | - | - | 148,068 | - | 148,068 |
| Net loss for the period | - | - | - | (390,870) | (390,870) |
| Balances, 30 September 2016 | 45,021,623 | 6,191,006 | 508,730 | (5,033,313) | 1,666,423 |
| Balances, 1 April 2017 | 53,874,956 | 7,009,690 | 622,041 | (5,606,689) | 2,025,042 |
| Shares issued for mineral properties | 2,000,000 | 200,000 | - | - | 200,000 |
| Warrants issued for mineral properties | - | - | 154,200 | - | 154,200 |
| Share-based payments | - | - | 96,495 | - | 96,495 |
| Net loss for the period | - | - | - | (400,294) | (400,294) |
| Balances, 30 September 2017 | 55,874,956 | 7,209,690 | 872,736 | (6,006,983) | 2,075,443 |

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

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

1. CORPORATE INFORMATION

92 Resources Corp. (the “Company”) was incorporated on 10 May 2007 under the British Columbia Business Corporations Act. On 10 September 2012, the Company incorporated a wholly owned subsidiary, Petro Grande Energy Inc. The principal business of the Company is the identification, evaluation and acquisition of exploration and evaluation properties, as well as exploration of those properties once acquired. The Company is domiciled in Canada and is a reporting issuer with its common shares publicly traded on the TSX Venture Exchange (the “TSXV”). The address of its head office is Suite 1400, 1111 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4M3.

Effective 10 June 2014, the Company changed its name from “Rio Grande Mining Corp.” to “92 Resources Corp.” and its stock symbol to “NTY”.

As at 30 September 2017, the Company has not yet determined whether the properties contained ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

For the six-month period ended 30 September 2017, the Company incurred a net loss of \$400,294 (2016: \$390,870). As at 30 September 2017, it had an accumulated deficit of \$6,006,983 (31 March 2017: \$5,606,689), which has been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying values are dependent upon obtaining additional financing sufficient to cover its operating costs.

Although management is currently seeking additional sources of equity or debt financing, there is no assurance these activities will be successful. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. These condensed interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed interim consolidated financial statements.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim consolidated financial statements of the Company, including comparative have been prepared in accordance with International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), and in accordance with the same accounting policies and methods of computation as compared with the most recent annual financial statements, being for the year ended 31 March 2017.

2.2 Basis of presentation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Petro Grande Energy Inc. All material inter-company balances and transactions have been eliminated upon consolidation.

The Company’s condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 12, and are presented in Canadian dollars except where otherwise indicated.

The functional currency of the Company and its wholly owned subsidiary is Canadian dollars.

2.3 Adoption of new and revised standards and interpretations

The IASB issued a number of new and revised IASs, International Financial Reporting Standards (“IFRS”), amendments and related IFRICs which are effective for the Company’s financial year beginning on 1 April 2017. The Company has adopted all the following new standards relevant to the Company for the six-month period ended 30 September 2017.

- IAS 7 *Statement of Cash Flows* is an amendment to clarify and improve information provided to users of financial statements about an entity’s financing activities. The amendment is applicable for annual periods beginning on or after 1 January 2017.
- IAS 12 *Income Taxes* is an amendment to clarify criteria used to assess whether future taxable profits can be utilized against deductible temporary differences. The amendment is applicable to annual periods beginning on or after 1 January 2017.

The adoption of the above standards did not have a material impact on the Company’s condensed interim consolidated financial statements.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

The IASB and IFRIC have issued the following new and revised standards and amendments, which are not yet effective for the period ended 30 September 2017.

- IAS 28 *‘Investments in Associates and Joint Ventures’* is an amendment to sale or contribution of assets between an investor and its associate or joint venture. The amendment is applicable for annual periods beginning on or after a date to be determined by IASB. Earlier application is permitted. As part of the annual improvements 2014 - 2016 cycle, this standard was amended to clarify whether an entity has an investment-by-investment choice for measuring investees at fair value in accordance with IAS 28 by a venture capital organization, or a mutual fund, unit trust or similar entities including investment linked insurance funds. The latter amendment is applicable for annual periods beginning on or after 1 January 2018.
- IFRS 2, *‘Share-based payment’* issued in June 2016, is amended to provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a “net settlement” for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendment is applicable for annual periods beginning on or after 1 January 2018.
- IFRS 9 *‘Financial Instruments: Classification and Measurement’* is a new financial instruments standard that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities. IFRS 9 is effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted.
- IFRS 10 *‘Consolidated Financial Statements’* amendments relate to sale or contribution of assets between and investor and its associate or joint venture and are applicable for annual periods beginning on or after a date to be determined by the IASB. Earlier application is permitted if disclosed.
- IFRS 7 – *‘Financial instruments: Disclosure’* was amended to require additional disclosures on transition from IAS 39 to IFRS 9. The standard is effective on adoption of IFRS 9, which is effective for annual periods commencing on or after January 1, 2018.
- IFRS 16 – *‘Leases’* was issued on January 13, 2016, and will be effective for accounting periods beginning on or after January 1, 2019. Early adoption is permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting.
- IFRIC 23 *‘Uncertainty over Income Tax Treatments’* is interpretation that clarifies how to apply the recognition and measurement requirements in IAS 12 *‘Income Taxes’* when there is uncertainty over tax treatments. The effective date for IFRIC 23 is for annual periods beginning on or after 1 January 2019.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

The Company has not early adopted these standards and amendments and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed interim consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim consolidated financial statements, and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Critical accounting estimates

- i. the inputs used in accounting for share-based payment expense in profit or loss;
- ii. the assessment of indications of impairment of exploration and evaluation properties and related determination of net realizable values and write-down of the properties where applicable;
- iii. the amount of decommissioning liabilities at year end;
- iv. expected future tax rates used in the deferred income tax disclosures.

Critical accounting judgments

- i. the determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management;
- ii. the determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets; and

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

- iii. the determination of the Company's ability to continue as a going concern.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash and liquid investments, which are readily convertible into cash with maturities of three months or less when purchased. The Company's cash and cash equivalents are invested with major financial institutions and are not invested in any asset-backed deposits or investments.

3.3 Exploration and evaluation properties

All costs related to the acquisition, exploration and development of exploration and evaluation properties ("E&E assets") are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units of production method over estimated recoverable reserves. Management annually assesses carrying values of properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if (1) the property has been abandoned; (2) there are unfavorable changes in the property economics; (3) there are restrictions on development; or (4) when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of exploration and evaluation properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future exploration and evaluation properties contain economically recoverable reserves. Amounts capitalized to exploration and evaluation properties as exploration and development costs do not necessarily reflect present or future values. When options are granted on exploration and evaluation properties or when properties are sold, proceeds are credited to the cost of the property.

If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

A) Government grants related to exploration and evaluation properties

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions and requirements of the approved grant program and there is reasonable assurance that the grant will be received. Government grants are recorded as a reduction of carrying value of the E&E assets acquired and shall be amortized to profit or loss as a reduced depreciation expense.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

3.4 Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regards to previous years.

Taxes on income in the periods are accrued using the tax rate that would be applicable to expected total annual earnings. The tax rate used is the rate that is enacted or substantively enacted.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

3.5 Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of an exploration and evaluation property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

3.6 Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payment reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payment reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

3.7 Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the year. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

3.8 Share issue costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

3.9 Warrants issued in equity financing

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

Depending on the terms and conditions of each financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are accounted for using the residual method, following an allocation of the unit price to the fair value of the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

3.10 Flow-through shares

Current Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. The issue of flow-through shares is in substance an issue of ordinary shares and the sale of tax deductions. At the time the Company issues flow-through shares, the sale of tax deductions is deferred and presented as other liabilities in the statement of financial position to recognize the obligation to incur and renounce eligible resource exploration and evaluation expenditures. The tax deduction is measured as the difference between the current market price of the Company's common shares and the issue price of the flow-through share. Upon incurring and renouncing eligible resource exploration and evaluation expenditures, the Company recognizes the sale of tax deductions as a tax deduction recovery on the statement of comprehensive loss and reduces the other liability.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

3.11 Impairment of non-financial assets

At the end of each reporting period, the Company assesses each cash-generating unit 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. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

3.12 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss (“FVTPL”), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

3.13 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.14 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL have two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables and loans payable are included in this category of financial liabilities.

3.15 De-recognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, is cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.16 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources, services or obligations between related parties.

4. CASH AND CASH EQUIVALENTS

As at 30 September 2017, total cash of \$11,500 (2016: \$11,500) is secured against the Company's credit cards and held in a Guaranteed Investment Certificate ("GIC") (Note 5).

5. AMOUNTS RECEIVABLE

The Company's amounts receivable arise from Goods and Services Tax ("GST") receivable due from the government taxation authorities, government grant receivable and accrued interest calculated on the GIC (Notes 4 and 7).

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

6. PREPAID EXPENSES

The Company's prepaid expenses are as follows:

| | 30 September 2017 \$ | 31 March 2017 (Audited) \$ |
|--------------------------------------|-------------------------------------|-------------------------------------|
| Prepaid management/consulting fees | 12,500 | 12,500 |
| Prepaid rent | 1,065 | 2,080 |
| Prepaid consulting services | 74,213 | 35,705 |
| Prepaid medical and dental insurance | - | 3,328 |
| Total | 87,778 | 53,613 |

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the six-month period ended 30 September 2017 are as follows:

| | Quebec Properties \$ | Hidden Lake Lithium Property \$ | Pontax Lithium Property \$ | Upper Ross Lake Property \$ | Mitchell Lake Property \$ | ZimFrac Property \$ | Total \$ |
|-----------------------------------------|----------------------------|------------------------------------------|-------------------------------------|-----------------------------------|---------------------------------|---------------------------|------------------|
| ACQUISITION COSTS | | | | | | | |
| Balance, 1 April 2016 | - | 5,000 | - | - | - | 110,000 | 115,000 |
| Additions | - | 225,000 | 310,000 | 3,419 | 50,000 | 40,000 | 628,419 |
| Impairment | - | - | - | - | (50,000) | - | (50,000) |
| Balance, 31 March 2017 | - | 230,000 | 310,000 | 3,419 | - | 150,000 | 693,419 |
| Additions | 154,200 | 235,000 | - | - | - | - | 389,200 |
| Balance, 30 September 2017 | 154,200 | 465,000 | 310,000 | 3,419 | - | 150,000 | 1,082,619 |
| EXPLORATION AND EVALUATION COSTS | | | | | | | |
| Balance, 1 April 2016 | - | - | - | - | 25,000 | 17,785 | 42,785 |
| Additions | - | 321,277 | 4,293 | 33,433 | - | - | 359,003 |
| Impairment | - | - | - | - | (25,000) | - | (25,000) |
| Balance, 31 March 2017 | - | 321,277 | 4,293 | 33,433 | - | 17,785 | 376,788 |
| Additions | - | 113,230 | - | - | - | 52,254 | 165,484 |
| Government grant | - | (140,000) | - | - | - | - | (140,000) |
| Balance, 30 September 2017 | - | 294,507 | 4,293 | 33,433 | - | 70,039 | 402,272 |
| Total | 154,200 | 759,507 | 314,293 | 36,852 | - | 220,039 | 1,484,891 |

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

7.1 Quebec Properties

On 18 September 2017, the Company entered into an agreement (the “Quebec Properties Agreement”) with DG Resource Management Ltd. (“DG Resource”), Simon Dahrouge (“SCD”), Sydney Dahrouge (“SAD”) and Michael V. Sklavenitis (“MS”) for an option to acquire interest in 115 mineral claims in the Eastmain Property, Lac Du Beryl Property and Corvette Property, located in the James Bay Region, Quebec. Under the terms of the Agreement, the Company could earn 100% interest by paying cash of \$45,000 to DG Resource and issuing 1,500,000 share purchase warrants (500,000 each to SCD, SAD and MS) as follows (Notes 9, 14 and 15):

| | Warrants | Cash |
|-----------------------------------------------------------------------|--------------------------|-----------------------|
| | # | \$ |
| Upon closing (Note 17) | - | 12,500 ⁽¹⁾ |
| Earlier of regulatory approval or within 60 days of closing (Note 17) | - | 32,500 ⁽¹⁾ |
| Upon regulatory approval (issued) | 1,500,000 ⁽²⁾ | - |
| Total | 1,500,000 | 45,000 |

⁽¹⁾ Payable to DG Resource

⁽²⁾ Issuable 500,000 each to SCD, SAD and MS

The regulatory approval related to the Quebec Agreement was obtained from the TSXV on 25 September 2017.

In connection with the Quebec Agreement, the Company paid reimbursement costs to DG Resource of \$2,220 incurred on the properties 2 months prior to signing the Quebec Agreement subsequent to the period ended 30 September 2017 (Note 17).

The Quebec Properties is subject to a 2% Net Smelter Return with respect to the production of all materials from the properties.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

7.2 Hidden Lake Lithium Property

On 16 February 2016, the Company entered into an agreement (the “Agreement”) with DG Resource Management Ltd. (“DG Resource”), Zimtu Capital Corp. (“Zimtu”) and Michael V. Sklavenitis (“MS”) for an option to acquire interest in two mineral claims consisting of 1,100 hectares, located northeast of Yellowknife, Northwest Territories. Under the terms of the Agreement, the Company could earn 100% interest by paying cash of \$85,000, issuing 4,000,000 common shares and completing \$500,000 in exploration expenditures as follows (Notes 9, 14 and 15):

| | Common Shares | Cash | Exploration Expenditures |
|------------------------------------------------------------------------|--------------------------|-----------------------|-----------------------------|
| | # | \$ | \$ |
| Upon closing (paid) | - | 5,000 ⁽¹⁾ | - |
| Upon regulatory approval of the Agreement (issued) | 2,000,000 ⁽²⁾ | - | - |
| 30 days after regulatory approval of Agreement (paid) | - | 45,000 ⁽³⁾ | - |
| 12 months after regulatory approval of the Agreement (issued; paid) | 2,000,000 ⁽²⁾ | 35,000 ⁽³⁾ | - |
| On or before 30 September 2016 (incurred) | - | - | 250,000 |
| On or before 31 May 2018 (Note 17) | - | - | 250,000 |
| Total | 4,000,000 | 85,000 | \$500,000 |

⁽¹⁾ Non-refundable deposit paid to DG Resources upon execution of the Agreement

⁽²⁾ Issuable 50% to DG Resource, 25% to Zimtu and 25% to MS

⁽³⁾ Payable to DG Resources

The regulatory approval related to the Hidden Lake Lithium Agreement was obtained from the TSXV on 21 April 2016.

On 27 November 2017, the Agreement was amended to extend the completion date of \$250,000 exploration expenditures from on or before 31 May 2017 to on or before 31 May 2018 (Note 17).

Hidden Lake Property is subject to 2% Net Smelter Royalty with respect to the production of all material from the property, 1% of which can be purchased back from DG Resource by the Company within 5 years of the regulatory approval for \$2,000,000.

In 2017, the Government of the Northwest Territories conditionally approved a grant of \$140,000 related to the Mining Incentive Program (the “Northwest Territories Grant”). A condition of the Northwest Territories Grant is to incur \$280,000 eligible expenses in the Northwest Territories during the period from 1 April 2017 to 31 March 2018.

During the six-month period ended 30 September 2017, the Company received \$119,000 as an advance from the Northwest Territories Grant. The Company has recognized the entire \$140,000 as a reduction to carrying amount of the Hidden Lake Lithium Property on the basis that it expects to incur \$280,000 eligible expenses by 31 March 2018. The amount receivable related to this government grant is \$21,000 as at 30 September 2017 (Note 5).

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

7.3 Pontax Lithium Property

On 25 July 2016, the Company entered into an agreement (the “Pontax Agreement”) with DG Resource and MS for an option to acquire 100% interest in 104 mineral claims consisting of 5,536 hectares near Eastmain, Quebec by paying cash of \$50,000 and issuing 3,000,000 common shares as follows (Notes 9, 14 and 15):

| | Common Shares | Cash |
|----------------------------------------------------|--------------------------|-----------------------|
| | # | \$ |
| Upon execution (paid) | - | 12,500 ⁽¹⁾ |
| Upon regulatory approval of the agreement (issued) | 1,500,000 ⁽²⁾ | - |
| Within 60 days of regulatory approval (paid) | - | 12,500 ⁽³⁾ |
| On or before 31 May 2018 (Note 17) | 1,500,000 ⁽²⁾ | 25,000 ⁽³⁾ |
| Total | 3,000,000 | 50,000 |

⁽¹⁾ Non-refundable deposit paid to DG Resource upon execution of the Pontax Lithium Agreement

⁽²⁾ #1,000,000 issuable to DG Resource and #500,000 issuable to MS

⁽³⁾ Payable to DG Resource

Regulatory approval for the Pontax Agreement was obtained on 20 September 2016.

On 27 November 2017, the Pontax Agreement was amended to extend the date of the 1,500,000 common share issuance and \$25,000 cash payment from 1 year after the regulatory approval of the agreement to on or before 31 May 2018 (Note 17).

The Pontax Agreement is subject to a 3% Net Smelter Royalty (“NSR”). The Company can purchase 1.5% NSR within 5 years of regulatory approval by paying \$2,000,000 to DG Resource.

7.4 Upper Ross Lake Property

On 7 July 2016, the Company staked 2 claims totaling 57 hectares in Upper Ross Lake, Northwest Territories.

7.5 Mitchell Lake Property

On 15 April 2014, the Company entered into an agreement (the “Mitchell Lake Agreement”) with Unity Energy Corp. (“Unity”) for an option to acquire interest in certain mineral claims consisting of 2,354 hectares, located in the southeastern Athabasca Basin, Saskatchewan known as the Mitchell Lake Uranium Project. Under the terms of the Mitchell Lake Agreement, the Company could earn a 50% interest by paying to Unity cash of \$100,000 within 12 months of TSXV approval and completing \$3,000,000 in exploration expenditures over a four-year period.

The Mitchell Lake Agreement was accepted by the TSXV on 13 August 2014.

On March 1, 2016, the obligation to pay \$100,000 to Unity was amended to a \$50,000 payment due on April 15, 2017, which was paid in full on 16 February 2017.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

On 10 July 2017, the Company and Unity mutually agreed to terminate the Mitchell Lake Agreement, and the Company wrote the value of the property down to \$Nil as at 31 March 2017.

7.6 ZimFrac Property

On 27 January 2014, the Company entered into a sale and purchase agreement (the “ZimFrac Agreement”) with Cannon Bridge Capital Corp. (“Cannon”) and Zimtu Capital Corp. (“Zimtu”) (collectively, the “Vendors”) and purchased from the Vendors a 100% interest in certain silica claims located near Golden, BC (the “ZimFrac Property”). In consideration, the Company issued 400,000 common shares (200,000 common shares to each of Cannon and Zimtu issued on 6 February 2014), subject to a 2% Net Smelter Royalty (“NSR”). The Company also issued 40,000 common shares in 2014 with a fair value of \$0.25 per share as finder’s fee.

The Company can purchase up to 1% NSR by paying an aggregate sum of \$1,000,000 (\$500,000 to each of Cannon and Zimtu).

The ZimFrac Agreement received regulatory approval on 6 February 2014.

On 3 March 2017, the Company entered into an agreement (the “Golden Frac Sand Agreement”) with Dahrouge Geological Consulting Ltd. (“Dahrouge”) and DG Resource Management Ltd. (“DG Resource”) to purchase a 100% interest in certain mineral claims located near Golden, BC (the “Golden Frac Sand Property”) to expand the size of the ZimFrac Property. In consideration, the Company paid \$40,000 (\$20,000 payable to Dahrouge and \$20,000 payable to DG Resource) within five days of signing the Golden Frac Sand Agreement on 17 March 2017.

The property has a Gross Over-Riding Royalty of 2% payable to DG Resource in the revenue from the sale of the production. The Company can purchase 1% of the GORR for \$2,000,000 at any time.

8. TRADE PAYABLES AND ACCRUED LIABILITIES

The Company’s trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to administrative activities. The usual credit period taken for trade purchases is between 30 to 90 days.

9. SHARE CAPITAL

9.1 Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

As at 30 September 2017, the Company had 55,874,956 common shares outstanding (31 March 2017: 53,874,956).

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

9.2 Shares issuances

During the six-month period ended 30 September 2017 and the year ended 31 March 2017, the Company issued common shares as follows:

On 19 April 2017, the Company issued 2,000,000 common shares valued at \$0.10 per share in accordance to the Hidden Lake Lithium Agreement (Notes 7 and 14).

During the year ended 31 March 2017, the Company issued 955,000 common shares in accordance with the exercise of stock options for proceeds of \$57,000. On exercise, the Company transferred \$36,658 from reserves to share capital.

During the year ended 31 March 2017, the Company issued 13,211,700 common shares in accordance with the exercise of warrants for proceeds of \$1,110,169. On exercise, the Company transferred \$62,148 from reserves to share capital.

On 24 February 2017, the Company closed a non-brokered private placement financing for gross proceeds of \$895,200 by issuing 7,460,000 non-flow-through (“NFT”) units at a price of \$0.10 per unit and 1,243,333 flow-through (“FT”) units at a price of \$0.12 per unit (Note 16). Each NFT unit consists of one NFT common share and one non-transferable share purchase. Each warrant will permit the holder to acquire one additional NFT common share at a price of \$0.15 per share until 24 February 2019. Each FT unit consists of one FT common share and one-half of one transferable share purchase warrant. Each whole warrant will permit the holder to acquire one additional NFT common share at a price of \$0.15 per share until 24 February 2019. Value is allocated to the warrants using the residual method. The Company recognized \$NIL as the fair value of warrants and \$895,200 as the fair value of common shares. In connection with the private placement, the Company paid a finder’s fee of \$21,000 and share issuance costs of \$5,226 in cash and issued 35,000 agent warrants to PI Financial Corporation. Each agent warrant is exercisable to acquire one additional NFT common share for a period of two years from the date of issuance at an exercise price of \$0.15 per share.

On 19 September 2016, the Company issued 1,500,000 common shares valued at \$0.19 per share in accordance to the Pontax Agreement (Notes 7 and 14).

On 27 April 2016, the Company issued 2,000,000 common shares valued at \$0.09 per share in accordance to the Hidden Lake Lithium Agreement (Notes 7 and 14).

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

On 15 April 2016, the Company closed a non-brokered private placement financing for gross proceeds of \$109,500 by issuing 2,190,000 NFT units at a price of \$0.05 per unit. Each unit consists of one NFT common share and one-half of one share purchase warrant. Each whole warrant will permit the holder to acquire one additional NFT common share at a price of \$0.10 per share until 18 April 2018. Value is allocated to the warrants using the residual method. The Company recognized \$Nil as the fair value of warrants and \$109,500 as the fair value of common shares. In connection with the private placement, the Company paid a finder's fee of \$3,200 in cash and issued 64,000 agent warrants to Mackie Research Capital Corporation. Each agent warrant is exercisable to acquire one additional NFT common share for a period of two years from the date of issuance at an exercise price of \$0.05 per share.

9.3 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the six-month periods ended 30 September 2017 and 2016:

| Period ended 30 September | 2017 | | 2016 | |
|-----------------------------------|--------------------|------------------------------------|--------------------|------------------------------------|
| | Number of warrants | Weighted average exercise price \$ | Number of warrants | Weighted average exercise price \$ |
| Outstanding, beginning of period | 10,534,026 | 0.14 | 16,869,527 | 0.11 |
| Granted | 1,500,000 | 0.15 | 1,159,000 | 0.10 |
| Exercised | - | - | (13,061,700) | 0.08 |
| Expired | - | - | (2,399,467) | 0.46 |
| Forfeited | - | - | - | - |
| Outstanding, end of period | 12,034,026 | 0.14 | 2,567,360 | 0.10 |

On 25 September 2017, the Company issued 1,500,000 (2016: Nil) warrants valued at \$154,200 in accordance to Quebec Properties Agreement (Notes 7 and 14).

During the six-month period ended 30 September 2017, the Company issued Nil (2016: 1,095,000) warrants in connection with private placements. The Company recognized \$Nil (2016: \$Nil) to reserves on the statement of changes of equity on the grant of these warrants.

During the six-month period ended 30 September 2017, the Company recorded share issue costs of \$Nil (2016 - \$6,315) for the Nil (2016 - 64,000) agent warrants granted pursuant to the private placement (Note 14).

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

The fair value of the agent warrants granted during the six-month periods ended 30 September 2017 and 2016 was estimated on the date of grant, using the Black-Scholes option pricing model with the following weighted average assumptions:

| Six-month period ended 30 September | 2017 | 2016 |
|--------------------------------------------|----------------|-------------|
| Share price on grant date (\$) | \$0.11 | \$0.12 |
| Risk free interest rate (%) | 1.80% | 0.59% |
| Expected life (years) | 5.00 | 2.00 |
| Expected volatility (%) | 169.08% | 171.80% |
| Expected dividend per share | - | - |

The following table summarizes information regarding share purchase warrants outstanding as at 30 September 2017:

| Date issued | Number of warrants | Exercise price (\$) | Expiry date | Weighted average remaining life |
|--------------------|---------------------------|----------------------------|--------------------|----------------------------------------|
| 8 January 2016 | 325,000 | 0.10 | 8 January 2018 | 0.27 |
| 17 March 2016 | 1,398,360 | 0.10 | 17 March 2018 | 0.46 |
| 18 April 2016 | 630,000 | 0.10 | 18 April 2018 | 0.55 |
| 18 April 2016 | 64,000 | 0.05 | 18 April 2018 | 0.55 |
| 24 February 2017 | 8,116,666 | 0.15 | 24 February 2019 | 1.40 |
| 25 September 2017 | 1,500,000 | 0.15 | 25 September 2022 | 4.99 |
| | 12,034,026 | 0.14 | | 1.66 |

9.4 Stock options

The Company has an incentive share option plan for granting options to directors, employees and consultants, under which the total outstanding options are limited to 10% of the issued and outstanding common shares at the time of each grant. Options granted may not exceed a term of ten years. All options vest when granted unless otherwise specified by the Board of Directors.

On 1 August 2017, the Company granted a total of 300,000 stock options to a consultant. Each stock option is exercisable into one additional common share at \$0.10 per share until 1 August 2019 and vested immediately on date of grant. The Company recognized \$18,813 as share-based payments on the statement of comprehensive loss on the grant of these options (Note 11).

On 15 May 2017, the Company granted a total of 1,150,000 stock options to directors and officers. Each stock option is exercisable into one additional common share at \$0.08 per share until 15 May 2020 and vested immediately on date of grant. The Company recognized \$77,682 as share-based payments on the statement of comprehensive loss on the grant of these options (Note 11).

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

On 17 March 2017, the Company granted a total of 450,000 stock options to consultants and 200,000 stock options to an officer of the Company. Each consultant and officer stock option is exercisable into one additional common share at \$0.115 per share until 17 March 2020 and vested immediately on the date of grant. The Company recognized \$70,259 as share-based payments on the statement of comprehensive loss on the grant of the consultant stock options.

On 31 August 2016, the Company granted a total of 500,000 stock options to a consultant. Each stock option is exercisable into one additional common share at \$0.16 per share until 31 August 2018 and vested on the date of grant. On 21 March 2017, the Company amended the exercise price of these stock options to \$0.115 per share. The Company recognized \$65,885 as the aggregate share-based payments on the statement of comprehensive loss on the grant of these options, taking into account the amendment of the exercise price.

On 4 May 2016, the Company granted a total of 1,275,000 stock options to consultants. Each stock option is exercisable into one additional common share at \$0.10 per share until 4 May 2021 and vested on the date of grant. The Company recognized \$84,813 as share-based payments on the statement of comprehensive loss on the grant of these options (Note 11).

During the six-month period ended 30 September 2017, Nil stock options were exercised for gross proceeds of \$Nil (2016: 955,000 stock option exercised for proceeds of \$57,000).

The following is a summary of the changes in the Company's stock option plan for the six-month periods ended 30 September 2017 and 2016:

| Period ended 30 September | 2017 | | 2016 | |
|-----------------------------------|-------------------|------------------------------------|-------------------|------------------------------------|
| | Number of options | Weighted average exercise price \$ | Number of options | Weighted average exercise price \$ |
| Outstanding, beginning of period | 2,667,000 | 0.12 | 1,197,000 | 0.09 |
| Granted | 1,450,000 | 0.08 | 1,775,000 | 0.12 |
| Exercised | - | - | (955,000) | 0.06 |
| Expired | - | - | - | - |
| Forfeited | - | - | - | - |
| Outstanding, end of period | 4,117,000 | 0.10 | 2,017,000 | 0.13 |

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

The following table summarizes information regarding stock options outstanding and exercisable as at 30 September 2017:

| Exercise price | Number of options outstanding | Weighted-average remaining contractual life (years) | Weighted average exercise price \$ |
|--------------------------------------------------|-------------------------------|-----------------------------------------------------|------------------------------------|
| Options outstanding and exercisable | | | |
| \$0.08 | 1,150,000 | 2.62 | 0.08 |
| \$0.10 | 1,425,000 | 3.22 | 0.10 |
| \$0.115 | 1,150,000 | 1.79 | 0.115 |
| \$0.12 | 250,000 | 2.04 | 0.12 |
| \$0.25 | 142,000 | 1.30 | 0.25 |
| Total options outstanding and exercisable | 4,117,000 | 2.52 | 0.10 |

The weighted average grant date fair value of the options granted during the six-month period ended 30 September 2017 was \$0.07 (2016: \$0.08) per option using the Black-Scholes Option Pricing Model (Note 11). The weighted average assumptions used for the calculation were:

| Six-month period ended 30 September | 2017 | 2016 |
|-------------------------------------|----------------|---------|
| Share price at grant date (\$) | \$0.08 | \$0.10 |
| Risk free interest rate (%) | 0.81% | 0.64% |
| Expected life (years) | 2.79 | 4.15 |
| Expected volatility (%) | 160.41% | 180.27% |
| Expected dividend per share | - | - |

10. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

| | Three months ended 30 September | | Six months ended 30 September | |
|-------------------------------------------------------|---------------------------------|------------|-------------------------------|------------|
| | 2017 \$ | 2016 \$ | 2017 \$ | 2016 \$ |
| Net loss for the period | (199,383) | (176,812) | (400,294) | (390,870) |
| Weighted average number of shares – basic and diluted | 55,874,957 | 43,041,215 | 55,657,565 | 25,834,810 |
| Loss per share, basic and diluted | (0.004) | (0.004) | (0.007) | (0.015) |

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. All of the stock options and the share purchase warrants were anti-dilutive for the six-month periods ended 30 September 2017 and 2016.

11. SHARE-BASED PAYMENTS

Share-based payments for options granted by the Company during the six-month periods ended 30 September 2017 and 2016 are amortized over their vesting period as follows:

| Grant date | Fair value \$ | Amount vested for six- month period ended 30 September 2017 \$ | Amount vested for six-month period ended 30 September 2016 \$ |
|-------------------|-------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| 4 May 2016 | 84,813 | - | 84,813 |
| 31 August 2016 | 63,255 | - | 63,255 |
| 15 May 2017 | 77,682 | 77,682 | - |
| 1 August 2017 | 18,813 | 18,813 | - |
| Total | 244,563 | 96,495 | 148,068 |

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

12. FINANCIAL INSTRUMENTS

12.1 Categories of financial instruments

| As at | 30 September 2017 \$ | 31 March 2017 (Audited) \$ |
|---------------------------------------------|-------------------------------|-------------------------------------|
| FINANCIAL ASSETS | | |
| FVTPL, at fair value | | |
| Cash and cash equivalents | 537,077 | 963,627 |
| Total financial assets | 537,077 | 963,627 |
| FINANCIAL LIABILITIES | | |
| Other liabilities, at amortized cost | | |
| Trade payables | 39,899 | 39,899 |
| Total financial liabilities | 39,899 | 39,899 |

12.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the condensed interim consolidated financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly. As at 30 September 2017, the Company does not have any Level 2 financial instruments.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at 30 September 2017, the Company does not have any Level 3 financial instruments.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

| As at 30 September 2017 | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|---------------------------------------------|----------------|---------------|---------------|----------------|
| Financial assets at fair value | | | | |
| Cash and cash equivalents | 537,077 | - | - | 537,077 |
| Total financial assets at fair value | 537,077 | - | - | 537,077 |

| As at 31 March 2017 | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|---------------------------------------------|----------------|---------------|---------------|----------------|
| Financial assets at fair value | | | | |
| Cash | 963,627 | - | - | 963,627 |
| Total financial assets at fair value | 963,627 | - | - | 963,627 |

There were no transfers between Level 1 and 2 and 3 in the six-month period ended 30 September 2017 and in the year ended 31 March 2017.

12.3 Management of capital and financial risks

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. As at 30 September 2017, all of the Company's trade payables of \$39,899 have contractual maturities of 30 to 90 days are subject to normal trade terms. The Company's loans payable are due on demand. The Company does not have investments in any asset backed deposits.

Foreign exchange risk

The Company does not have significant foreign exchange risk as the majority of its transactions are in Canadian dollars.

Interest rate risk

The Company is not exposed to significant interest rate risk.

13. RELATED PARTY TRANSACTIONS

For the six-month period ended 30 September 2017, the Company had the following related party transactions:

- Management and administration fees of \$46,721 (2016: \$45,000) and share based payments of \$27,020 (2016: \$26,608) were incurred to an officer and director of the Company (Note 15).
- Management and administration fees of \$31,607 (2016: \$35,000) and share based payments of \$27,020 (2016: \$26,608) were incurred to a company controlled by an officer of the Company (Note 15).
- Consulting fees of \$15,000 (2016: \$Nil) and share based payments of \$6,755 (2016: \$Nil) were incurred to a company controlled by an officer of the Company.
- Share based payments of \$16,887 (2016: \$Nil) were incurred to directors.

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

13.1 Related party expenses

The Company's related party expenses are broken down by type as follows:

| Six-month period ended 30 September | 2017 | 2016 |
|---------------------------------------------|----------------|-------------|
| | \$ | \$ |
| Management and administration fees | 78,328 | 80,000 |
| Consulting fees | 15,000 | - |
| Share based payments | 77,682 | 53,216 |
| Total related party expenses by type | 171,010 | 133,216 |

The breakdown of the expenses by key management personnel is as follows:

| Six-month period ended 30 September | 2017 | 2016 |
|-----------------------------------------------------------------|----------------|-------------|
| | \$ | \$ |
| Chief Executive Officer | 73,741 | 71,608 |
| Chief Financial Officer | 58,627 | 61,608 |
| Corporate Secretary | 21,755 | - |
| Directors | 16,887 | - |
| Total related party expenses by key management personnel | 171,010 | 133,216 |

13.2 Key management personnel compensation

The Company has identified its directors and senior officers as its key management personnel. The remuneration of key management was as follows:

| Six-month period ended 30 September | 2017 | 2016 |
|----------------------------------------------------|----------------|-------------|
| | \$ | \$ |
| Short-term benefits | 93,328 | 80,000 |
| Share-based payments | 77,682 | 53,216 |
| Total key management personnel compensation | 171,010 | 133,216 |

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

14. SUPPLEMENTAL CASH FLOW INFORMATION

14.1 Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

| Six-month period ended 30 September | 2017 \$ | 2016 \$ |
|-------------------------------------|------------|--------------|
| Interest paid | - | 1,000 |
| Taxes paid | - | - |
| Total cash payments | - | 1,000 |

14.2 Non-cash financing and investing activities

| Six-month period ended 30 September | 2017 \$ | 2016 \$ |
|----------------------------------------------------------|------------|--------------|
| Agent warrants issued (Note 9) | - | 6,315 |
| Total non-cash financing and investing activities | - | 6,315 |

On 25 September 2017, the Company issued 1,500,000 warrants valued at \$154,200 in accordance to the Quebec Properties Agreement (Notes 7 and 9).

On 19 April 2017, the Company issued 2,000,000 common shares valued at \$0.10 per share in accordance to the Hidden Lake Lithium Agreement (Notes 7 and 9).

On 19 September 2016, the Company issued 1,500,000 common shares valued at \$0.19 per share in accordance to the Pontax Agreement (Notes 7 and 9).

On 27 April 2016, the Company issued 2,000,000 common shares valued at \$0.09 per share in accordance to the Hidden Lake Lithium Agreement (Notes 7 and 9).

15. COMMITMENTS

The Company has certain commitments to make cash payments and/or issue common shares related to certain exploration and evaluation property agreements (Note 7).

The Company has certain commitments related to key management compensation for \$12,500 per month with no specific expiry of terms (Note 13).

92 RESOURCES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

30 September 2017

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

16. FLOW-THROUGH PREMIUM LIABILITY

During the year ended 31 March 2017, the Company issued 1,243,333 flow-through units (Note 9.2) for gross proceeds of \$149,200 and recognized a deferred flow-through premium of \$24,867, non-cash, as the difference between the amounts recognized in common shares and the amounts the investors paid for the units.

As at 30 September 2017, the flow-through premium liability outstanding relating to these flow-through shares was \$10,558 (31 March 2017: \$24,867). During the six-month period ended 30 September 2017, the Company recognized flow-through income of \$14,309. As at 30 September 2017, the Company is required to spend approximately \$63,345 in eligible exploration expenditures.

17. EVENTS AFTER THE REPORTING PERIOD

The following events occurred subsequent to the period ended 30 September 2017:

- On 19 October 2017, the Company paid \$45,000 and \$2,220 to DG Resource pursuant to the Quebec Agreement (Note 7).
- On 27 November 2017, the Company negotiated an extension of the dates of the agreement terms related to the Hidden Lake Lithium Property and the Pontax Lithium Property (Note 7).

18. APPROVAL OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The condensed interim consolidated financial statements of the Company for the six-month period ended 30 September 2017 were approved and authorized for issue by the Board of Directors on 29 November 2017.