Ironside Resources Inc.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended

September 30, 2016

Ironside Resources Inc.

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Notice

The following unaudited condensed interim consolidated financial statements of the Company for the period ended September 30, 2016 have been prepared in accordance with International Financial Reporting Standards and are the responsibility of the Company's management. The Company's independent auditors have not performed an audit or a review of these condensed consolidated interim financial statements.

Ironside Resources Inc.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars) TSX.V: IRC

	Note		September 30, 2016		June 30, 2016
Assets					
Current assets					
Cash and cash equivalents	*8*	$	**129,003**	$	203,551
Amounts receivable			**4,444**		5,856
Prepaid expenses			**6,047**		8,615
			139,494		218,022
Advances to related party net of provision for doubtful accounts	*9*		**-**		-
Property and equipment	*4*		**990**		1,233
Exploration and evaluation assets	*5*		**408,983**		408,983
Total assets			**549,467**		628,238
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	*6, 9*		**74,784**		46,281
Total liabilities			**74,784**		46,281
Shareholders' equity					
Share capital	*7*		**15,671,699**		15,671,699
Obligation to issue shares	*9*		**8,000**		8,000
Other capital reserves	*7*		**5,800,194**		5,800,194
Deficit			**(21,005,210)**		(20,897,936)
Total shareholders' equity			**474,683**		581,957
Total liabilities and shareholders' equity		**$**	**549,467**	$	628,238

Nature and continuance of operations (Note 1)

Approved on November 25, 2016 by the Board of Directors:

" Devinder Randhawa"

Devinder Randhawa, Director

"Ross McElroy"

Ross McElroy, Director

Ironside Resources Inc.

Condensed Interim Consolidated Statements of Comprehensive Loss

(Expressed in Canadian Dollars) TSX.V: IRC

	Note	Three months ended September 30 2016	2015
General and administrative expenses			
Consulting and management fees	9	$ **54,000**	$ 48,000
Depreciation		**243**	243
Office and administration		**2,476**	3,100
Professional fees		**1,391**	18,000
Public relations and communications		**-**	4,131
Regulatory fees		**2,704**	5,037
Rent		**1,860**	1,860
Transfer agent		**2,640**	8,846
Wages and benefits	9	**39,402**	45,194
		(104,716)	(134,411)
Interest		**389**	1,362
Foreign exchange loss		**76**	(1,023)
Bad debt expense	9	**(3,023)**	-
		(2,558)	339
Loss and comprehensive loss for the period		$ **(107,274)**	$ (134,072)
Basic and diluted loss per common share		$ **(0.01)**	$ (0.02)
Weighted average number of common shares outstanding		**10,425,677**	6,774,147

The accompanying notes are an integral part of these Consolidated Financial Statements.

Ironside Resources Inc.

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars) TSX.V: IRC

	Note	Common Shares: Shares	Common Shares: Amount	Obligation to Issue Commons Shares	Common Shares Held in Escrow	Other Capital Reserves	Deficit	Total
Balance as at June 30, 2015		4,949,014	14,668,300	-	(6,833)	5,800,194	(15,524,708)	4,936,953
Common shares in escrow cancelled	5	(22,778)	(6,833)	-	6,833	-	-	-
Private placement - Ballyliffin	7	2,189,200	820,950	-	-	-	-	820,950
Share issuance costs	7	-	(34,218)	-	-	-	-	(34,218)
Loss and comprehensive loss		-	-	-	-	-	(134,072)	(134,072)
Balance as at September 30, 2015		7,115,437	$ 15,448,199	$ -	$ -	$ 5,800,194	$ (15,658,780)	$ 5,589,613
Debt settlement	9	3,311,111	223,500	8,000	-	-	-	231,500
Loss and comprehensive loss		-	-	-	-	-	(5,239,156)	(5,239,156)
Balance as at June 30, 2016		10,426,547	$ 15,671,699	$ 8,000	$ -	$ 5,800,194	$ (20,897,936)	$ 581,957
Loss and comprehensive loss		-	-	-	-	-	(107,274)	**(107,274)**
Balance as at September 30, 2016		**10,426,547**	**$ 15,671,699**	**$ 8,000**	**$ -**	**$ 5,800,194**	**$ (21,005,210)**	**$ 474,683**

On June 30, 2016, the Company consolidated its common shares outstanding on a 3:1 basis.
All references to common shares and per share amounts reflect these consolidations

Ironside Resources Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars) TSX.V: IRC

		Three months ended September 30, 2016		2015
Cash used in operating activities				
Loss and comprehensive loss for the year	**$**	**(107,274)**	$	(134,072)
Items not affecting cash:				
Depreciation		**243**		243
		(107,031)		(133,829)
Changes in non-cash working capital items				
Increase (decrease) in amounts receivable		**1,412**		(17,129)
(Decrease) increase in prepaid expenses		**2,568**		(5,237)
(Decrease) increase in accounts payable and accrued liabilities		**28,503**		(11,286)
Cash used in operating activities		**(74,548)**		(167,481)
Investing activities				
Exploration and evaluation additions		**-**		(23,556)
Cash used in investing activities		**-**		(23,556)
Financing activity				
Proceeds from issuance of common shares		**-**		820,950
Loan proceeds (repayment)		**-**		(50,000)
Advance from Ballyliffin		**-**		(75,000)
Share issuance costs		**-**		(34,219)
Defered financing fees		**-**		26,862
Cash provided by financing activities		-		688,593
Net Increase / (decrease) in cash and cash equivalents		**(74,548)**		497,556
Cash and cash equivalents, beginning of peiod		**203,551**		27,719
Cash and cash equivalents, end of the period	**$**	**129,003**	$	525,275

Supplemental disclosure with respect to cash flows (Note 8).

1. Nature and Continuance of Operations

Ironside Resource Inc. (the "Company") is a company incorporated under the Business Corporation Act of British Columbia, Canada. The registered office of the Company is 700-595 Howe Street, Vancouver, British Columbia, V6C 2T5. The Principal address and records office of the Company is 700-1620 Dickson Ave., Kelowna, British Columbia, V1Y 9Y2. The Company's shares are publicly listed on the TSX Venture ("TSX-V") under the symbol "IRC".

The Company is engaged in the acquisition, exploration and development of its exploration and evaluation assets. The Company is considered to be in the exploration stage and to date has not generated significant revenues from operations. The Company has yet to determine whether its exploration and evaluation assets contain economically viable ore reserves and there is no guarantee that mineral deposits will be discovered in the future. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon proving the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production and/or proceeds from the disposition thereof.

On June 30, 2016, the Company consolidated its share capital on a three to one basis. All references to common shares, per share amounts, options and warrants retroactively reflect this consolidation. See Note 7.

The Company has inconsiderable sources of revenue and has significant cash requirements to maintain its mineral property interests and to meet its administrative overhead. These consolidated financial statements have been prepared on a going concern basis and do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to secure equity, debt or joint venture financing and generate profitable future operations. These material uncertainties may cast significant doubt on the ability of the Company to continue as a going concern.

These condensed interim consolidated financial statements for the three months ended September 30, 2016 were approved and authorized for issuance by the Board of Directors on November 25, 2016.

2. Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS-34") as issued by the International Accounting Standards Board ("IASB") and should be read in conjunction with the Company's audited consolidated financial statements for the year ended June 30, 2016. The annual statements include information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies and the use of judgements and estimates are presented in Note 3 and note 5 of the annual statements. These policies, judgements and estimates have been consistently applied in the preparation of these condensed interim consolidated financial statements.

These condensed interim consolidated financial statements have been prepared in Canadian dollars ("CAD") being the Company's presentation and functional currency and are based on a historical cost basis. Unless otherwise noted all figures are in Canadian dollars. These condensed interim consolidated financial statements include the financial information of the 100% wholly owned subsidiaries of Papuan Precious Metals Ltd. ("PPM"), located in PNG and Adan Ventures Limited ("Adan") incorporated in the British Virgin Islands. The functional currencies of the Company's subsidiaries are that of the parent company.

(Unaudited – Expressed in Canadian Dollars) TSX.V: IRC

Transactions in foreign currencies are translated into the functional currency at exchange rates at the date of the transactions. Foreign currency differences arising on translation are recognized in profit or loss. Foreign currency monetary assets and liabilities are translated at the functional currency exchange rate at the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when acquired. All gains and losses on translation of these foreign currency transactions are included in the statement of comprehensive loss.

3. New Standards, Amendments and Interpretations

The IASB issued a number of new and revised International Accounting Standards, IFRS amendments and related interpretations which are effective for the Company's financial year beginning on or after July 1, 2016. No new or revised standards or amendments are expected to have any significant impact to the Company's financial statements.

4. Property and Equipment

Property and equipment consists of:

Cost		Computer Equipment		Total
As at June 30, 2015	$	3,243	$	3,243
Additions		-		-
Disposals		-		-
As at June 30, 2016		3,243		3,243
Additions		-		-
Disposals		-		-
As at September 30, 2016	**$**	**3,243**	**$**	**3,243**
Accumulated Depreciation				
As at June 30, 2015	$	1,037	$	1,037
Depreciation		973		973
Disposals		-		-
As at June 30, 2016		2,010		2,010
Depreciation		243		243
Disposals		-		-
As at September 30, 2016	**$**	**2,253**	**$**	**2,253**
Net Book Value				
As at June 30, 2015	$	2,206	$	2,206
As at June 30, 2016		1,233		1,233
As at September 30, 2016	**$**	**990**	**$**	**990**

(Unaudited – Expressed in Canadian Dollars) TSX.V: IRC

5. Exploration and Evaluation Assets

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims. The Company has investigated title to its exploration and evaluation assets and to the best of its knowledge the title to its properties are in good standing.

Property	Resource	Ownership	September 30, 2016		June 30, 2016	
Wadi Sawawin	Fe	IRC 25%	**$**	**408,983**	$	408,983
Exploration and evaluation assets			**$**	**408,983**	$	408,983

Wadi Sawawin:

On April 6, 2015 the Company signed a letter agreement for the formation of a Joint Venture ("JV") with Juniper Capital Partners Limited (Juniper) of London, UK, to acquire a 25% carried interest in the Wadi Sawawin Iron Ore project in Saudi Arabia. The JV has acquired London Mining PLC's contractual equity rights to a 50% interest of the project which is owned by National Mining Company ("NMC") of Saudi Arabia. To date, the Company and Juniper have not successfully confirmed with NMC the transfer of the 50% interest in the Wadi Sawawin Iron Ore project. However, the Company and Juniper are continuing efforts to have the transfer of the rights to the project confirmed.

The Company is required to provide initial funding to the JV in the amount of US$375,000 with Juniper and the Company then contributing additional funds to the JV pro-rata so that each partner will provide one-half of the additional funds required by the JV. Juniper has agreed to manage the JV's interests in the project for a minimum of two years. During the three months ended September 30, 2016 the Company expended $nil (June 30, 2016 - $nil) on the acquisition of the interest.

New Hanover:

A charge of $4,998,763 to profit or loss was recognized during the year ended June 30, 2016 upon the relinquishment of the 100% PPM owned EL-1566 – New Hanover. The Company no longer holds any exploration permits in Papua New Guinea.

6. Accounts Payable and Accrued Liabilities

Accounts payable are indebtedness incurred in the normal course of operations and are typically paid within 30 days. The accrued liabilities are non-interest bearing and are primarily payable to related parties. See Note 9.

Due within the year	September 30, 2016		June 30, 2016	
Accounts payable	**$**	**2,784**	$	20,687
Accrued liabilities		**72,000**		25,594
	$	**74,784**	$	46,281

7. Share Capital and Reserves

The Company is authorized to issue an unlimited number of common shares without par value.

On June 30, 2016, the Company's common shares were consolidated on the basis of one post consolidated share for every three pre-consolidated shares.

All common share, per share, share option and share purchase warrant figures in these consolidated financial statements have been retrospectively restated to present post-consolidation amounts.

(Unaudited – Expressed in Canadian Dollars) TSX.V: IRC

(a) Private Placement Financings

July 10, 2015: the Company announced the completion of a private placement with Ballyliffin. Ballyliffin acquired 2,189,200 common shares of the Company at a price of $0.125 per share for gross proceeds of $820,950 of which $75,000 was received in fiscal 2015 and included in accounts payable as at June 30, 2015. The Company shares acquired by Ballyliffin were subsequently distributed to the shareholders of Ballyliffin in exchange for their shareholdings in Ballyliffin. The Company incurred $34,218 in financing costs in relation to this transaction. The record date is July 9, 2015.

(b) Stock Options

The Company has a share-holder approved stock option plan which allows the Board of Directors to grant stock options to directors, officers, employees, contractors and consultants. The exercise price of each option is based on the market price of the Company's common stock at the date of grant less any applicable discount. The options can be granted for a maximum term of five years and vesting terms are determined by the Board of Directors at the date of grant.

Stock option and share purchase warrant transactions are summarized as follows:

Stock Options	Number Outstanding	Exercise Price	Number Exercisable	Remaining Life in years
As at June 30, 2014	423,333	$ 1.20	356,667	2.79
Expired	(40,000)	(4.50)	(40,000)	-
Vested	-	0.75	66,666	-
Forfeited	(60,000)	(0.75)	(60,000)	-
As at June 30, 2015	323,333	$ 0.75	323,333	1.79
As at June 30, 2016	323,333	$ 0.75	323,333	0.79
As at September 30, 2016	**323,333**	**$ 0.75**	**323,333**	**0.54**

8. Supplemental Disclosure with Respect to Cash Flows

Cash and cash equivalents consist of:

Cash and cash equivalents	**September 30, 2016**	June 30, 2016
Cash	**$ 14,003**	$ 8,551
Redeemable term deposits	**115,000**	195,000
	$ 129,003	$ 203,551

There were no cash payments for interest expense or income taxes during the three months ended September 30, 2016 and September 30, 2015. During the three months ended September 30, 2016 the Company earned $389 (September 30, 2015 - $1,362) in interest income on its redeemable term deposits.

9. Related Party Transactions

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel for the three months ended September 30, 2016 were $75,000 (September 30, 2015 - $75,000).

Share-based compensation represents the non-cash fair value calculations of options in accordance with IFRS-2 Share-based Payments granted to key management personnel.

(Unaudited – Expressed in Canadian Dollars) TSX.V: IRC

Included in accounts payable and accrued liabilities at September 30, 2016 is $72,000 (June 30, 2016 - $19,102) owing to officers, companies controlled by directors/officers and corporations with common directors and executives.

On June 30, 2016, the Company completed a debt settlement agreement with the CEO and directors of the Company. As a result, a total of 3,311,111 shares at a value of $223,500 were issued and a gain of $147,500 was recognized through profit and loss with an obligation to issue 118,518 common shares valued at $8,000 at a future date.

Included in advances to related parties as of September 30, 2016 is $nil (June 30, 2016 - $nil) receivable from PPF. The amount is unsecured, non-interest bearing and has no specified terms of repayment. As at September 30, 2016, a provision for doubtful accounts of $86,673 was recorded for the full amount of the advance outstanding as at that date.

10. Segmented Information

The Company operates under one business segment being the exploration of mineral property interests operating in three geographical locations; Canada and Saudi Arabia.

	September 30, 2016		June 30, 2016	
Non-Current assets by geographic region	**Canada**	**Saudi Arabia**	Canada	Saudi Arabia
Property and equipment	**$ 990**	**$ -**	$ 1,233	$ -
Exploration and evaluation assets	**-**	**408,983**	-	408,983
Total	**$ 990**	**$ 408,983**	$ 1,233	$ 408,983

11. Capital Management

The Company's objectives when managing capital, being its share capital, are to safeguard the Company's ability to continue as a going concern in order to pursue the development and exploration of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company is dependent on external financing to fund its activities. The capital structure of the Company currently consists of common shares, stock options and share purchase warrants. Changes in the equity accounts of the Company are disclosed in the statements of changes in equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. Any issuance of common shares requires approval of the Board of Directors.

In order to facilitate management with its capital requirements, the Company prepares annual expenditure budgets which are approved by the Board of Directors and updated as necessary depending on various factors including capital deployment and general market and industry conditions.

The Company anticipates pursuing potential farm-out and joint venture agreements and also continuing to access equity markets to fund the sustained exploration of its Exploration and Evaluation assets and to ensure the future growth of the business.

The Company is not subject to any externally imposed capital restrictions.

(Unaudited – Expressed in Canadian Dollars) TSX.V: IRC

12. Financial Instruments and Risk Management

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of the inputs used in making measurements. The fair value hierarchy has the following levels:

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

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

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

The Company's financial instruments consist of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. For cash and cash equivalents, amounts receivable and payable and accrued liabilities, carrying value is considered to be a reasonable approximation of fair value due to the short-term nature of these instruments.

The Company's financial instruments are exposed to a number of financial and market risks, including credit, liquidity and foreign exchange risks. The Company does not currently have any active hedging or derivative trading policies to manage these risks as it has been determined by management that the current size, scale and pattern of its operations would warrant such hedging activities.

(a) Credit Risk

Credit risk is such that a counterparty to a financial instrument will not discharge its obligations resulting in a financial loss to the Company. The Company has procedures in place to minimize its exposure to credit risk. Company management evaluates credit risk on an ongoing basis including counterparty credit rating and activities related to trade and other receivables and other counterparty concentrations as measured by amount and percentage.

The primary sources of credit risk for the Company arise from cash and cash equivalents and amounts receivable. The Company's maximum exposure to credit risk is minimal as cash and cash equivalents are deposited with reputable financial institutions.

(b) Liquidity Risk

Liquidity Risk is the risk that the Company will be unable to meet its financial liabilities as they fall due. The Company's financial liabilities are comprised of accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and its current cash flow position to meet current obligations by monitoring and maintaining sufficient cash and cash equivalents to meet its anticipated operational needs.

The Company's financial liabilities, consisting of accounts payable and accrued liabilities, arise as a result of expenditures directly related to exploration of its exploration and evaluation assets and other corporate expenses. Payment terms on these liabilities are typically 30 to 60 days from receipt of invoice and generally do not bear interest. The following table summarizes the remaining contractual maturities of the Company's financial liabilities:

Maturity dates <6 months	**September 30, 2016**	June 30, 2016
Accounts payable	**$ 2,784**	$ 20,687
Accrued liabilities	**72,000**	25,594
	$ 74,784	$ 46,281

(c) Market Risk

Market risk is the potential that the fair value for assets will fluctuate due to changes in market conditions on items classified as held-for-trading, available-for-sale or future cash flows from assets or liabilities considered to be held-to-maturity, other financial liabilities and loans or receivables of a financial instrument. The Company evaluates market risk on an ongoing basis and has established policies and procedures for mitigating its exposure to foreign exchange fluctuations. The Company is not exposed to interest rate risk as it does not hold debt balances and is not generally charged interest on accounts payable balances.

(d) Foreign Exchange Risk

The Company operates on an international basis therefore foreign exchange risk exposures arise from transactions denominated in foreign currencies. Although the functional currency of the Company is Canadian dollars ("CAD"), the Company simultaneously conducts business in US Dollars ("USD"), Papua New Guinea Kina ("PGK") and Saudi Arabian Riyal ("SAU"). Derivative instruments are currently not used to reduce exposure to fluctuations in foreign currency exchange rates.

Changes in the value of USD, PGK and SAU against the CAD affect the costs of operations and resultant capital expenditures. The Company primarily maintains its cash balances in CAD and exchanges currency on an as needed basis thereby reducing the exchange risk on cash balances.

The Company is exposed to currency risk through the following Canadian dollar equivalent of financial assets and liabilities denominated in currencies other than CAD:

Foreign Exchange Risk	**September 30, 2016**		June 30, 2016	
	PGK	**USD**	PGK	USD
Cash and cash equivalents	**$ 1,491**	**$ -**	$2,919	$ -
Accounts payable and accrued liabilities	**-**	**-**	(1,344)	-
	$ 1,491	**$ -**	$1,575	$ -