Ironside Resources Inc.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended

September 30, 2017

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company’s management.

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

Ironside Resources Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	As at September 30, 2017	As at June 30, 2017
		$	$
Assets			
Current			
Cash & cash equivalents	**11**	**14,491**	24,194
Amounts receivable		**6,029**	3,202
Prepaid Expense		**-**	-
		20,520	27,396
Property and equipment	**5**	**-**	-
Exploration and evaluation assets	**6**	**-**	-
Total Assets		**20,520**	27,396
Liabilities and Shareholders' Equity (Deficiency)			
Current Liabilities:			
Accounts payable and accrued liabilities	**7, 9**	**341,856**	291,900
Note payable to related party	**9**	**50,000**	50,000
Total Liabilities		**391,856**	341,900
Shareholders' equity (deficiency):			
Share capital	**8**	**15,671,699**	15,671,699
Obligation to issue shares	**9**	**8,000**	8,000
Other capital reserves	**8**	**5,800,194**	5,800,194
Accumulated deficit		**(21,851,229)**	(21,794,397)
Total Shareholders' Equity(deficiency)		**(371,336)**	(314,504)
Total Liabilities and Shareholders' Equity (Deficiency)		**20,520**	27,396

Nature and Continuance of operations (Note 1)

Approved and authorized on November 27, 2017 on behalf of the Board:

/s/ Devinder Randhawa — Director

/s/ Rich Matthews — Director

The accompanying notes are integral to these interim consolidated financial statements.

Ironside Resource Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Note	**For the Three Months Ended September 30, 2017**	For the Three Months Ended September 30, 2016
		$	$
General and administrative expenses			
Consulting and management Fees	9	**48,000**	54,000
Depreciation	5	**-**	243
Office and administration		**2,857**	2,476
Professional fees		**2,929**	1,391
Public relations and communications		**-**	-
Regulatory fees		**3,046**	2,704
Rent		**-**	1,860
Transfer agent		**-**	2,640
Travel		**-**	-
Wages and benefits	9	**-**	39,402
		(56,832)	(104,716)
Impairment of exploration and evaluation assets	6	**-**	-
Interest		**-**	389
Foreign exchange loss		**-**	76
Bad debt expense	9	**-**	(3,023)
		-	(2,558)
Net loss and comprehensive loss for the year		**(56,832)**	(107,274)
Basic and diluted loss per common share		**(0.00)**	(0.01)
Weighted average number of common shares outstanding		**10,425,677**	10,425,677

The accompanying notes are integral to these interim consolidated financial statements.

Ironside Resource Inc.
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars except the number of shares)

		Common shares						Total
	Note	Outstanding Shares	Share Capital	Obligation to Issue Common Shares	Common Shares held in Escrow	Other Capital Reserves	Deficit	Shareholders' Total
			$	$	$	$	$	$
Balance, June 30, 2016		**10,426,547**	**15,671,699**	**8,000**	**-**	**5,800,194**	**(20,897,936)**	**581,957**
Loss and comprehensive loss for the year		-	-	-	-	-	(896,461)	(896,461)
Balance, September 30, 2017		**10,426,547**	**15,671,699**	**8,000**	**-**	**5,800,194**	**(21,794,397)**	**(314,504)**
Balance, June 30, 2017		**10,426,547**	**15,671,699**	**8,000**	**-**	**5,800,194**	**(21,794,397)**	**(314,504)**
Loss and comprehensive loss for the year		-	-	-	-	-	(56,832)	(56,832)
Balance, September 30, 2017		**10,426,547**	**15,671,699**	**8,000**	**-**	**5,800,194**	**(21,851,229)**	**(371,336)**

The accompanying notes are integral to these interim consolidated financial statements.

Ironside Resource Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	For the Three Months Ended September 30, 2017	For the Three Months Ended September 30, 2016
	$	$
Cash used in operating activities		
Loss and comprehensive loss for the year	**(56,832)**	(107,274)
Items not affecting cash:		
Depreciation	**-**	243
	(56,832)	(107,031)
Changes in non-cash working capital items		
Decrease (increase) in receivables	**(2,827)**	1,412
Decrease in prepaid expenses	**-**	2,568
Increase in accounts payable and accrued liabilities	**49,957**	28,503
Cash used in operating activities	**(9,702)**	(74,548)
Investing activities		
Exploration and evaluation expenditures	**-**	-
Cash used in investing activities	**-**	-
Financing activities		
Proceeds from issuance of common shares	**-**	-
Cash provided by financing activities	**-**	-
Change in cash & cash equivalents	**(9,702)**	(74,548)
Cash & cash equivalents, beginning of the year	**24,194**	203,551
Cash & cash equivalents, end of the year	**14,492**	129,003

The accompanying notes are integral to these interim consolidated financial statements.

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 and exploration of 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.

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 interim consolidated financial statements for the three months ended September 30, 2017 were approved and authorized for issuance by the Board of Directors on November 27, 2017.

2. Basis of Presentation

Statement of compliance with International Financial Reporting Standards

These interim consolidated financial statements of the Company and its subsidiaries, including comparative figures, have been prepared using accounting policies in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations by the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of Presentation

These 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 consolidated financial statements include the financial information of the 100% wholly owned subsidiaries of Papuan Precious Metals Ltd. ("PPM"), located in Papua New Guinea ("PNG") and Adan Ventures Limited ("Adan") incorporated in the British Virgin Islands. The functional currency of the Company's subsidiaries are that of the parent company.

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 profit or loss.

3. Accountings Standard Issued But Not Yet Effective

IFRS Standard, 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 January 1, 2018. No new or revised standards or amendments are expected to have any significant impact to the Company's financial statements.

4. Key Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimated uncertainty at the reporting date that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company bases its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(Expressed in Canadian Dollars) TSX.V: IRC

(a) Exploration and Evaluation Expenditures

The Company's accounting policy for Exploration and Evaluation expenditure results in certain expenditures being capitalized for prospective areas where it is considered likely to be recovered by future exploitation or sale and where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If after having capitalized the expenditure under this policy a judgment is made that the recovery of the expenditure is unlikely, the relevant capitalized amount will be written off in the profit or loss in the period when the new information becomes available.

(b) Share-based Compensation

The Company measures the cost of equity-settled transactions with employees and non-employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based compensation transactions requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires the expected life of the share option, volatility and dividend yield and making assumptions about them.

5. Property and Equipment

Property and equipment consists of:

Cost	Computer Equipment
As at June 30, 2015	$ 3,243
Additions	-
Disposals	-
As at June 30, 2016	3,243
Additions	-
Disposals	-
As at June 30, 2017	**$ 3,243**
Accumulated Depreciation	
As at June 30, 2015	$ 1,037
Depreciation	973
Disposals	-
As at June 30, 2016	2,010
Depreciation	1,233
Disposals	-
As at June 30, 2017	**$ 3,243**
Net Book Value	
As at June 30, 2016	$ 1,233
As at June 30, 2017	**$ -**

(Expressed in Canadian Dollars) TSX.V: IRC

6. 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	June 30, 2017	June 30, 2016
Wadi Sawawin	Fe	IRC 25%	$ -	$ 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 was 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 had agreed to manage the JV's interests in the project for a minimum of two years. During the year ended March 31, 2017 the Company expended $nil (June 30, 2016 - $nil) on the acquisition of the interest. As a result of the difficulties and delays encountered, the Company decided to fully impair the project in the amount of $408,983 as at June 30, 2017.

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.

7. 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, 2017	June 30, 2017
Accounts payable	$ 42,607	$ 39,890
Accrued liabilities	299,250	252,010
	$ 341,857	$ 291,900

On June 30, 2016, the Company completed a comprehensive debt settlement package with related parties that eliminated its accrued liabilities inclusive to May 31, 2016. See note 9.

On June 30, 2016, the Company recognized the legal extinguishment of an accrued liability originally incurred in 2007. As a result the Company has realized a gain of $100,000 during fiscal 2016.

(Expressed in Canadian Dollars) TSX.V: IRC

8. Share Capital and Reserves

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

(a) Private Placement Financings

There were no private placements during the three months ended September 30, 2017 and the year ended June 30, 2017.

(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, 2015	323,333	$ 0.75	323,333	1.79
As at June 30, 2016	323,333	$ 0.75	323,333	0.79
Expired	(323,333)	$ -	(323,333)	-
As at June 30, 2017	**-**	**$ -**	**-**	**-**

9. Related Party Transactions

During the three-month period ended September 30, 2017, the Company incurred $45,000 (2016 - $45,000) of consulting fees from a company controlled by the Chief Executive Officer for services performed. As at September 30, 2017, the Company owed $260,250 (June 30, 2017 - $213,010) in accrued consulting fees to the Chief Executive Officer.

As at June 30, 2017, the note payable to a related party of $50,000 due to a private company owned by the CEO and director of the Company is due on demand with no fixed term of repayment or stated interest.

During the three-month period ended September 30, 2017, the Company incurred $NIL (September 30, 2016 - $3,000) of consulting fees from a company controlled by a director for services performed. As at September 30, 2017, the Company owed $13,000 (June 30, 2017 - $13,000) in accrued consulting fees to this director.

10. Financial Instruments and 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 continuing to access equity markets to fund the acquisition and exploration of Exploration and Evaluation assets and to ensure the future growth of the business.

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

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, accounts payable and accrued liabilities and note payable to a related party. Carrying value of these items are 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. Amounts receivable is due from a government agency. The Company has recorded an allowance on a receivable from a related party (Note 9).

(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 and note payable to a related party. 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 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, 2017**		June 30, 2016	
Accounts payable	**$**	**42,607**	$	20,687
Accrued liabilities		**299,250**		25,594
Note payable		**50,000**		-
	$	**391,857**	$	46,281

The Company is exposed to liquidity risk.

(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 interest bearing 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.