Jasper Mining Corporation
(an exploration stage corporation)

Financial Statements

For the three and six months ended June 30, 2018 and 2017

(Unaudited – Prepared by Management)

Jasper Mining Corporation
(an exploration stage corporation)
Interim Financial Statements

June 30, 2018 and 2017
(Unaudited)

Management Report

To the Shareholders of Jasper Mining Corporation

The unaudited interim financial statements of Jasper Mining Corporation were prepared by management in accordance with appropriately selected International Financial Reporting Standards and have been approved by the Board of Directors. Management has used estimates and careful judgment, particularly in those circumstances where transactions affecting current periods are dependent on information not known until a future period.

Management is responsible for the integrity of the financial and operational information contained in these interim financial statements. The Company has designed and maintains internal controls to provide reasonable assurance that assets are properly safeguarded and that the financial records are well maintained and provide relevant, timely and reliable information to management. The interim financial statements have been prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized in the notes to the interim financial statements.

Auditor involvement

The auditor of Jasper Mining Corporation has not performed a review of the unaudited interim financial statements for the six months ended June 30, 2018.

Jasper Mining Corporation

(Signed) "Gordon F. Dixon"
President and in the capacity of Chief Executive Officer

(Signed) "Gordon F. Dixon"
Interim Chief Financial Officer

Calgary, Canada
August 23, 2018

Jasper Mining Corporation
(an exploration stage corporation)
Interim Statements of Financial Position

(Unaudited)

		June 30, 2018		December 31, 2017
Assets				
Current				
Cash	$	**1,900**	$	8,696
Prepaid		**-**		1,576
Other receivables		**1,283**		852
		3,183		11,124
Mineral property security deposits		**50,332**		50,247
Property and equipment (note 4)		**129,559**		130,027
	$	**183,074**	$	191,398
Liabilities				
Current				
Trade and other payables	$	**265,520**		481,944
Due to related parties		**119,490**		74,490
		385,010		556,434
Shareholders' Equity (Deficiency)				
Share capital (note 5)		**9,749,021**		9,535,890
Warrants (note 6)		**48,154**		63,232
Contributed surplus		**7,235,518**		7,216,281
Deficit		**(17,234,629)**		(17,180,439)
		(201,936)		(365,036)
	$	**183,074**	$	191,398

Reporting entity and going concern (note 1)
Subsequent event (note 13)

(*Signed*) "Gordon F. Dixon", Director

(*Signed*) "Jean Pierre-Pelletier", Director

Jasper Mining Corporation
(an exploration stage corporation)
Interim Statements of Loss and Comprehensive Loss

(Unaudited)

	Three months ended June 30 2018	Three months ended June 30 2017	Six months ended June 30 2018	Six months ended June 30 2017
Expenses				
General and administrative (note 7)	**$ 32,488**	$ 42,700	**$ 51,422**	$ 64,432
Exploration and evaluation expense	**1,561**	1,562	**2,385**	2,376
Depreciation (note 4)	**234**	284	**468**	570
	(34,283)	(44,546)	**(54,275)**	(67,378)
Finance income	**43**	103	**85**	161
Loss and comprehensive loss for the period	**$ (34,240)**	$ (44,443)	**$ (54,190)**	$ (67,217)
Net loss per share				
Basic and diluted	**$ (0.00)**	$ (0.01)	**$ (0.00)**	$ (0.01)

Jasper Mining Corporation
(an exploration stage corporation)
Interim Statements of Changes in Equity

(Unaudited)

	Number of shares	Share capital	Warrants	Contributed Surplus	Deficit	Total shareholders' equity (deficiency)
Balance December 31, 2017	**13,504,643**	**$ 9,535,890**	**$ 63,232**	**$ 7,216,281**	**$ (17,180,439)**	**$ (365,036)**
Issued for debt settlement	2,152,073	215,207	-	-	-	215,207
Share issue costs	-	(2,076)	-	-	-	(2,076)
Share-based compensation	-	-	-	4,159	-	4,159
Expiration of warrants	-	-	(15,078)	15,078	-	-
Net loss for the period	-	-	-	-	(54,190)	(54,190)
Balance June 30, 2018	15,656,716	$ 9,749,021	$ 48,154	$ 7,235,518	$ (17,234,629)	$ (201,936)

	Number of shares	Share capital	Warrants	Contributed Surplus	Deficit	Total shareholders' equity (deficiency)
Balance December 31, 2016	**12,887,976**	**$ 9,518,243**	**$ 58,482**	**$ 7,188,640**	**$ (17,044,690)**	**$ (279,325)**
Unit private placement	616,667	20,412	16,588	-	-	37,000
Share issue costs	-	(935)	-	-	-	(935)
Share-based compensation	-	-	-	10,813	-	10,813
Net loss for the period	-	-	-	-	(67,217)	(67,217)
Balance June 30, 2017	13,504,643	$ 9,537,720	$ 75,070	$ 7,199,453	$ (17,111,907)	$ (299,664)

Jasper Mining Corporation
(an exploration stage corporation)
Interim Statements of Cash Flows

(Unaudited)

For the six months ended June 30,	2018	2017
Operating activities		
Net loss for the period	$ (54,190)	$ (67,217)
Items not affecting cash		
Depreciation	468	570
Share-based compensation	4,159	10,813
	(49,563)	(55,834)
Changes in non-cash working capital	(72)	19,122
	(49,635)	(36,712)
Financing activities		
Related party advance	45,000	-
Share issuance proceeds	-	37,000
Share issuance costs	(2,076)	(935)
	42,924	36,065
Investing activities		
Mineral property security deposits	(85)	(160)
Decrease in cash	(6,796)	(807)
Cash, beginning of period	8,696	19,523
Cash, end of period	$ 1,900	$ $18,716
Cash interest paid	$ -	$ -
Non-cash transaction		
Shares issued for debt settlement	$ 215,207	$ -

1. Nature of operations and going concern

Jasper Mining Corporation (the "Corporation") is incorporated under the laws of the Province of Alberta and is listed on the TSX Venture Exchange. The Corporation is engaged in the business of mineral exploration in Canada. The Corporation's registered office is located at 501, 888 – 4th Avenue SW, Calgary, Alberta, T2P 0V2.

To date, the Corporation has not yet determined whether its mineral claims are economically recoverable, nor has it found defined reserves and it's considered to be in the exploration state. The Corporation believes that it has established and retains satisfactory title to all its claims.

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which contemplates the realization of assets and the discharging of liabilities and commitments in the normal course of operations. The ability of the Corporation to continue to operate as a going concern is largely dependent on its ability in the near term to access sufficient new capital to satisfy its current obligations and fund future exploration and development activities. Management plans to meet its capital requirements from available funds, equity financings, sale or farm-out of assets, and cash to be provided from the exercise of options and warrants in the future. Management's assessment of the Corporation is based on its current cash flow forecast and financial model. There are material uncertainties that may cast significant doubt as to whether the Corporation is a going concern because of the following factors:

a) As at June 30, 2018, the Corporation had a working capital deficiency of $(381,827) and no sources of revenue from its resource assets;

b) There are significant future capital expenditures required to further explore and develop the Corporation's resource assets; and

c) The current equity market environment may hamper the Corporation's ability to raise funds for its exploration programs.

Management's plans for addressing the above factors are as follows:

a) The Corporation will continue to seek appropriate financing initiatives that benefit the Corporation and its shareholders; and

b) The Corporation will continue to review opportunities to enter into joint venture or farm-out arrangements or the potential sale of existing resource interests.

These financial statements do not give effect to adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Corporation be unable to continue as a going concern and these adjustments could be material.

2. Basis of presentation

These unaudited interim financial statements have been prepared by management in accordance with IAS 34 Interim Financial Reporting from International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These unaudited interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for Jasper Mining Corporation for the year ended December 31, 2017.

These financial statements were authorized for issue by the Board of Directors on August 23, 2018.

Expenses in the statement of loss and comprehensive loss are presented as combination of function and nature in conformity with industry practice. Depreciation is presented on a separate line by their nature, while general and administrative expenses are presented on a function al basis. Significant expenses such as salaries, wages and fees and share-based compensation are presented by their nature in the notes to the financial statements.

These unaudited interim financial statements have been presented in Canadian dollars.

3. Significant accounting policies

These unaudited interim financial statements have been prepared following the same accounting policies as described in note 3 of the audited financial statements for the year ended December 31, 2017. There have been no changes to the Corporation's accounting policies since December 31, 2017 other than outlined below.

IFRS 9 Financial Instruments was issued in July 2014 and will replace IAS Financial Instruments: recognition and measurement. IFRS 9 was released in three phases: 1) Accounting for financial assets and liabilities; 2) Impairment of financial assets; and 3) Hedge accounting. IFRS 9 provides for a single model of classifying and measuring financial assets and liabilities and introduces a credit loss impairment model. Entities are required to select the measurement method based on both the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Hedge accounting remains optional. The new guidance is intended to improve the disclosure on risk management and provide more options of when to apply hedge accounting. This standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 Revenue, which was issued in May 2014, replaces IFRS 18 Revenue, IAS 11 Construction Contracts, and other revenue related interpretations. This standard requires revenue recognition upon the transfer of goods or services when control is transferred to the purchaser and additional disclosure. This standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 2 Shared-Based Payments, in June 2016 the Board issued the final amendments to IFRS 2 which amended (a) the effect that vesting conditions have on the measurement of a cash-settled share-based payment; (b) the accounting for modification to the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled; (c) classification of share-based payment transactions with net settlements features.

The above three standards were adopted January 1, 2018 with no material impact on the interim financial statements.

4. Property and equipment

	Land	Equipment	Total
Cost			
As at December 30, 2017 and June 30, 2018	$ 123,387	$ 40,205	$ 163,592
Accumulated depreciation			
As at December 31, 2017	$ -	$ 33,565	$ 33,565
Depreciation	-	468	468
As at June 30, 2018	$ -	$ 34,033	$ 34,033
Net book value			
As at December 31, 2017	$ 123,387	$ 6,640	$ 130,027
As at June 30, 2018	$ 123,387	$ 6,172	$ 129,559

5. Share capital

Issued	**Number of shares**	**Value**
Balance, December 31, 2017	13,504,643	$ 9,535,890
Debt conversion (a)	2,152,073	215,207
Share issue costs	-	(2,076)
Balance, June 30, 2018	15,656,716	$ 9,749,021

a) In February 2018, the Corporation approved the conversion of certain existing accounts payable from debt to equity. The total amount of outstanding payable extinguished by the Corporation was $215,207 for 2,152,073 common shares. The debt was owed to three non-arms' length parties. The conversion was recorded at $0.10 per share, which was the trading price of the shares as at the date of the conversion. The shares are subject to a four-month hold period ending in June 2018.

6. Warrants

	Number of warrants	Value
Balance, December 31, 2017	2,108,334	$ 63,232
Expired a)	(400,000)	(4,369)
Expired b)	(400,000)	(10,709)
Balance, June 30, 2018	1,308,334	$ 48,154

a) During the three months ended March 31, 2018, 400,000 warrants expired unexercised and $4,369 was allocated to contributed surplus.
b) During the three months ended June 30, 2018, 400,000 warrants expired unexercised and $10,709 was allocated to contributed surplus.

Summary information with respect to warrants outstanding at June 30, 2018 is provided below:

Exercise price ($)	Number exercisable	Number outstanding	Weighted average contractual life remaining years)	Weighted average exercise price ($)
0.10	1,308,334	1,308,334	0.46	0.10

7. Share-based payments

The following is a continuity of stock options for which shares have been reserved:

	Number of options	Weighted average exercise price ($)
Balance, December 31, 2017 and June 30, 2018	1,200,000	$ 0.18

Summary information with respect to options outstanding at June 30, 2018 is provided below:

Exercise price ($)	Number outstanding	Contractual life remaining (years)	Exercise price ($)	Number exercisable
0.80	150,000	0.0	0.80	150,000
0.10	750,000	2.2	0.10	750,000
0.08	300,000	3.9	0.08	150,000
	1,200,000	2.4	0.18	1,050,000

During the three and six months ended June 30, 2018, the Corporation's share-based compensation expense was $1,664 and $4,159 (2017 - $10,813 and $10,813) of which all was recognized in general and administrative expenses in the statements of loss and comprehensive loss.

8. Per share amounts

Basic net loss per share is calculated as follows:

	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
Net loss for the period	**$ (34,240)**	$ (44,443)	**$ (54,190)**	$ (67,217)
Weighted average number of shares:				
Issued common shares at beginning of period	**15,656,716**	12,887,976	**13,504,643**	12,887,976
Shares issued	**-**	481,136	**1,735,926**	245,304
Basic weighted average shares	**15,656,716**	13,369,112	**15,240,569**	13,133,280
Net loss per share – basic and diluted	**$ (0.00)**	$ (0.01)	**$ (0.00)**	$ (0.01)

The effect of stock options and warrants is anti-dilutive in loss periods.

9. Related party transactions

Except as disclosed elsewhere in these financial statements, the Corporation had the following related party transactions in the normal course of operations and measured at the exchange amount:

a) Amounts due to related parties consist of amounts due from shareholders, officers and directors of the Corporation and companies controlled or significantly influenced by shareholders and officers of the Corporation. The amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

b) During the three and six months ended June 30, 2018, $1,500 and $3,000 (2017 - $5,250 and $10,500) was charged for rent by a company owned by the President of the Corporation. Included in trade and other payables at June 30, 2018 is $3,675 (December 31, 2017 - $101,300) due to this company.

c) At June 30, 2018, there was $66,490 (December 31, 2017 - $41,490) in due to related parties for expense advances and $53,000 due to related parties (December 31, 2017 - $33,000) controlled by the President of the Corporation.

d) During the three and six months ended June 30, 2018, $5,250 and $10,500 (2017 - $5,250 and $10,500) was charged by a company owned by the President of the Corporation for administrative services. Included in trade and other payables at June 30, 2018 is $14,700 (December 31, 2017 - $114,600) due to this company.

10. Change in non-cash working capital

	Six months ended June 30, **2018**	2017
Other receivables	**$ (431)**	$ 1,626
Prepaids	**1,576**	-
Trade and other payables	**(1,217)**	17,496
	$ (72)	$ 19,122

The change in non-cash working capital has been allocated to the following activity:

	Six months ended June 30, **2018**	2017
Operating	$ (72)	$ 19,122

11. Capital management

The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern and to maintain a flexible capital structure, which will allow it to pursue the development of its mineral properties. Therefore, the Corporation monitors the level of risk incurred in its mineral property expenditures relative to its capital structure.

The Corporation considers its capital structure to include its working capital deficit of $(381,827) (December 31, 2017 – deficit of $(545,310)) and shareholders' equity (deficiency) of $(201,936) (December 31, 2017 – $(365,036)). The Corporation monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Corporation may issue new equity if available on favourable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties.

The Corporation's investment policy is to hold cash in interest bearing bank accounts and highly liquid short-term interest bearing investments with maturities of one year or less which can be liquidated at any time without penalties.

The Corporation is not subject to externally imposed capital requirements. There has been no change in the Corporation's approach to capital management during the six months ended June 30, 2018. The Corporation has not paid or declared any dividends since the date of incorporation, nor are any contemplated in the foreseeable future.

12. Financial instruments and risk management

The Corporation's financial instruments include cash, other receivables, due to related parties, mineral property security deposits, and trade and other payables. The carrying values of these financial instruments approximated their fair values due to their relatively short periods to maturity. The Corporation has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments. The Corporation has policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout these financial statements.

a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Corporation's policy is to ensure that its investments are liquid.

The Corporation's other receivables relates primarily to Goods and Services Tax input tax credits. Accordingly, the Corporation views credit risk on accounts receivable as minimal and has subsequently collected the outstanding amount.

b) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its final obligations as they are due. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Corporation's reputation.

The Corporation prepares annual expenditure budgets, which are regularly monitored and updated as considered necessary. To facilitate its expenditure program, the Corporation raises funds through private equity placements. The Corporation's liquidity position has weakened since the beginning of the year due to the cost of ongoing exploration and corporate activities exceeding funds raised during the period. Current market conditions resulting from the global credit crisis have created unfavourable terms for equity financings required for junior mineral exploration companies, including the Corporation. As a result, the Corporation is currently evaluating alternatives to raise additional capital to improve liquidity.

As at June 30, 2018, the Corporation's financial liabilities were comprised of trade and other payables and due to related parties, which have a maturity of less than one year.

c) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Corporation is exposed to interest rate risk primarily through its variable interest rate on its cash and mineral property security terms deposits. For the six months ended June 30, 2018 and year ended December 31, 2017, if interest rates had been 1% higher with all other variables held constant, the change in the loss would have been insignificant. The Corporation did not have any interest rate contracts outstanding at June 30, 2018 or December 31, 2017.

13. Subsequent event

Subsequent to June 30, 2018, 150,000 options expired, unexercised, resulting in 1,050,000 options outstanding as at the date of the financial statements were approved.