

TOP STRIKE RESOURCES CORP.

Condensed Interim Financial Statements (unaudited)

Three months ended July 31, 2017 and 2016

(Expressed in Canadian dollars)

Notice

Top Strike Resources' auditor, K.R. Margetson Ltd., has not reviewed the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.

Condensed Interim Statements of Financial Position

(Expressed in Canadian dollars)

(unaudited)

As at		July 31, 2017	April 30, 2017
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents	\$	92,125	\$ 108,810
Other receivables		842	595
Prepays		833	833
		93,800	110,238
TOTAL ASSETS			
	\$	93,800	\$ 110,238
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	\$	13,063	\$ 25,561
		13,063	25,561
SHAREHOLDERS' EQUITY			
Share capital		17,757,383	17,757,383
Contributed surplus		33,256	33,256
Deficit		(17,709,902)	(17,705,962)
TOTAL SHAREHOLDERS' EQUITY		80,737	84,677
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	93,800	\$ 110,238

Nature and continuance of operations (Note 1)

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.

Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

(unaudited)

For the three months ended July 31		2017	2016
	Notes		
Expenses			
Office and miscellaneous	\$	113	\$ 9
Professional fees		375	363
Corporate communication		3,606	3,730
		4,094	4,102
Other income			
Finance income		154	369
		154	369
Loss and comprehensive loss for the period	\$	3,940	\$ 3,733
Basic loss per common share	3 \$	0.00	\$ 0.00
Weighted average number of common shares outstanding		16,431,428	16,431,428

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.

Condensed Interim Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

(unaudited)

	Shares outstanding		Share capital		Contributed surplus	Deficit		Total shareholders' equity
Balance at May 1,								
2017	16,431,428	\$	17,757,383	\$	33,256	\$ (17,705,962)	\$	84,677
Loss and comprehensive loss for the period	-		-		-	(3,940)		(3,940)
Balance at July 31,								
2017	16,431,428	\$	17,757,383	\$	33,256	\$ (17,709,902)	\$	80,737
Balance at May 1,								
2016	16,431,428	\$	17,757,383	\$	33,256	\$ (17,633,682)	\$	156,967
Loss and comprehensive loss for the period	-		-		-	(3,733)		(3,733)
Balance at July 31,								
2016	16,431,428	\$	17,757,383	\$	33,256	\$ (17,637,415)	\$	153,224

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.

Condensed Interim Statements of Cash Flows

(Expressed in Canadian dollars)

(unaudited)

For the three months ended July 31	2017	2016
Operating activities		
Loss for the period	\$ (3,940)	\$ (3,733)
Changes in non-cash working capital:		
Other receivables	(247)	(482)
Accounts payable and accrued liabilities	(12,498)	4,328
Net cash used in operating activities	(16,685)	113
Change in cash and cash equivalents for the period	(16,685)	113
Cash and cash equivalents, beginning of period	108,810	166,931
Cash and cash equivalents, end of period	\$ 92,125	\$ 167,044

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.

Notes to Condensed Interim Financial Statements
For the three months ended July 31, 2017 and 2016
(Expressed in Canadian dollars)
(unaudited)

1. Nature and continuance of operations

Top Strike Resources Corp. (the "Company") currently has no activity and to date has not earned significant revenues. The Company has evaluated several oil and gas opportunities. The Company has previously focused on international and domestic oil and gas projects but recently expanded its scope to consider other industries as well.

The Company trades under the symbol "TSR.H" on the NEX board, which is a separate board of the TSX Venture Exchange. The Company's principal place of business is located in Calgary, Alberta. The address of the Company's registered office is Suite 1000, Livingston Place West, 250 2nd Street SW, Calgary, Alberta, T2P 0C1.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company had working capital of \$80,737 as at July 31, 2017 (April 30, 2017 - \$84,677) and has not generated any revenues and had accumulated losses of \$17,709,902 (April 30, 2017 - \$17,705,962). The Company has sufficient working capital to operate for the next twelve months and meet its financial obligations as they become due. These 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 thus 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 these financial statements.

2. Basis of presentation

a. Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. These condensed interim financial statements do not include all the information required for full annual financial statements.

These condensed interim financial statements are stated in Canadian dollars and have been prepared following the same accounting policies and methods of computation as the financial statements for the year ended April 30, 2017.

The disclosures provided below are incremental to those included with the annual financial statements and certain disclosures, which are normally required to be included in the notes to the annual financial statements, have been condensed or omitted. These condensed interim financial statements should be read in conjunction with the financial statements and notes thereto in the Company's annual filings for the year ended April 30, 2017.

The condensed interim consolidated financial statements were approved by the board of directors of Top Strike on September 25, 2017.

b. Basis of measurement

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis.

c. Functional currency

The Company's presentation currency is Canadian dollars. The functional currency of the Company is Canadian dollars.

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3. Per share amounts

Basic loss per share is calculated based on net loss and the weighted-average number of common shares outstanding. The Company has recorded a loss in each of the periods presented and therefore any addition to basic shares is anti-dilutive.

Three months ended July 31	2017	2016
Loss for the period	\$ 3,940	\$ 3,733
Weighted average number of common shares (basic and diluted)	16,431,428	16,431,428
Basic and diluted loss per share	\$ 0.00	\$ 0.00

At July 31, 2017, there were 900,000 (April 30, 2017 – 900,000) stock options considered anti-dilutive.

4. Related party transactions

The Company paid or accrued accounting fees of \$375 (July 31, 2016 - \$363) to a company controlled by an officer of the Company. These transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

As at July 31, 2017, accounts payable and accrued liabilities included amounts payable to related parties totaling \$3,375 (July 31, 2016 - \$3,496) for accounting fees.

5. Financial risk management

As at July 31, 2017, the carrying values of cash, other receivables and accounts payable and accrued liabilities approximate their fair values due to their short terms to maturity.

Financial risks

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

The Company's credit risk is primarily attributable to cash and other receivables. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of a chequing account and guaranteed investment certificates at a reputable financial institution, from which management believes the risk of loss to be remote. Federal deposit insurance covers balances up to \$100,000 in Canada. Financial instruments included in other receivables consist of amounts due from government agencies and a chartered bank. The Company limits its exposure to credit loss for cash by placing its cash with high quality financial institutions and for receivables by standard credit checks. At July 31, 2017, the Company's exposure to credit risk is minimal.

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5. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at July 31, 2017, the Company had a cash and cash equivalents balance of \$92,125 (April 30, 2017 - \$108,810) to settle current liabilities of \$13,063 (April 30, 2017 - \$25,561).

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest risk

The Company has cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its bank. As of July 31, 2017, the Company had \$81,712 in investment-grade short-term deposit certificates plus accrued interest of \$379.

b) Foreign currency risk

The Company does not have any balances denominated in a foreign currency and believes it has no significant foreign currency risk.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.