Admiral Bay Resources Inc.

Condensed Interim Financial Statements

For the nine-month period ended April 30, 2018
(Unaudited)

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED 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 condensed interim consolidated financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim consolidated financial statements of the Admiral Bay Resources Inc. (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.

Admiral Bay Resources Inc.

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited)

As at:	Note	**April 30, 2018**	July 31, 2017
		$	$
			(Audited)
Assets			
Current Assets			
Cash		**8,301**	-
HST recoverable		**4,537**	2,652
Total assets		**12,838**	2,652
Liabilities			
Current Liabilities			
Accounts payable and other payables		**37,256**	36,273
Loans payable	5	**31,526**	-
Total liabilities		**68,782**	36,273
Shareholders' Deficiency			
Capital Stock	7	**50,179,484**	50,179,484
Deficit		**(50,235,428)**	(50,213,105)
Total shareholders' deficiency		**(55,944)**	(33,621)
Total liabilities and shareholders' deficiency		**12,838**	2,652

Nature of Operations and Going Concern (Note 1)

APPROVED ON BEHALF OF THE BOARD ON JUNE 26, 2018:

Signed *"Joel Dumaresq"*
Director

Signed *"Theo van der Linde"*
Director

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

Admiral Bay Resources Inc.
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three month period ended April 30,		Nine month period ended April 30,	
	2018	2017	**2018**	2017
	$	$	**$**	$
Administrative Expenses				
General and administration	**19**	-	**355**	-
Professional fees	**1,620**	1, 500	**5,005**	12,700
Rent	**3,000**	-	**9,000**	-
Transfer agent and filing fees	**5,964**	550	**7,963**	550
	10,603	2,050	**22,323**	13,250
Net (loss) and comprehensive (loss) for the periods	**(10,603)**	(2,050)	**(22,323)**	(13,250)
(Loss) per share - basic and diluted	**(0.00)**	(0.00)	**(0.00)**	(0.00)
Weighted average number of shares outstanding – basic and diluted	**5,142,226**	5,142,226	**5,142,226**	5,142,226

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

Admiral Bay Resources Inc.
Condensed Interim Statements of Changes in Equity (Deficiency)
(Expressed in Canadian Dollars)
(Unaudited)

	Capital Stock (Note 7)			
	Number of shares	Amount	(Deficit)	Total
Balance at July 31, 2016	5,142,226	$ 50,179,484	$ (50,198,355)	$ (18,871)
Net loss for the period	-	-	(13,250)	(13,250)
Balance at April 30, 2017	**5,142,226**	**$ 50,179,484**	**$ (50,211,605)**	**$ (32,121)**

Balance at July 31, 2017	5,142,226	$ 50,179,484	$ (50,213,105)	$ (33,621)
Net loss for the period	-	-	(22,323)	(22,323)
Balance at April 30, 2018	**5,142,226**	**$ 50,179,484**	**$ (50,235,428)**	**$ (55,944)**

Admiral Bay Resources Inc.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

For the nine months period ended April 30,	**2018**	2017
	$	$
Operating activities		
Net (loss) for the period	**(22,323)**	(13,250)
Net change in non-working capital		
HST recoverable	**(1,885)**	(1,326)
Accounts payable and other payables	**983**	14,576
Cash flows used in operating activities	**(23,225)**	-
Financing activities		
Proceeds from loans payable	**31,526**	-
Cash generated by financing activities	**31,526**	-
Change in cash	**8,301**	-
Cash at beginning of period	**-**	-
Cash at end of period	**8,301**	-

1. NATURE OF OPERATIONS AND GOING CONCERN

Admiral Bay Resources Inc. ("Admiral Bay" or the "Company"), was incorporated in British Columbia on September 3, 1987.

The registered office of the Company is Suite 810 – 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2.

Our management intends to seek new opportunities. The Company currently does not hold any material resource property interests.

As at April 30, 2018, the Company had a working capital deficiency of $55,944 (July 31, 2017 – $33,621), had not yet achieved profitable operations, has accumulated losses of $50,235,428 (July 31, 2017 $50,213,105) and expects to incur future losses in the development of any business, all of which represent material uncertainties which cast significant doubt about the Company’s ability to continue as a going concern. These financial statements have been prepared on a going concern basis and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and in accordance with IAS 34 – Interim Financial Reporting. The condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended July 31, 2017. These financial statements have been prepared following the same accounting policies as the Company’s audited financial statements for the year ended July 31, 2017.

These financial statements were authorized for issuance by the Board of Directors of the Company on June 26, 2018.

2.2 Basis of presentation and functional and presentation currency

These financial statements have been prepared on a going concern basis, under the historical cost convention and have been prepared using the accrual basis of accounting except for cash flow information, as explained in the accounting policies set out in Note 3.

The financial statements are presented in Canadian Dollars, which is the functional currency of the Company.

Certain comparative figures have been reclassified to conform to the current year’s presentation. Such reclassification is for presentation purpose only and has no effect on previously reported results.

2. BASIS OF PREPARATION (continued)

2.3 Adoption of new and revised standards and interpretations

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after August 1, 2017 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

- IFRS 9, 'Financial instruments', effective for annual periods beginning on or after January 1, 2018, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of lAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition.

  The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the lAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The Company will also consider the impact of the remaining phases of IFRS 9 when completed by the Board. Early adoption is permitted.

3. CAPITAL MANAGEMENT

The Company considers its capital to be equity, which is comprised of share capital and deficit, which as at April 30, 2018 totaled a deficiency of $55,944, (July 31, 2017 deficiency of $33,621). The Company's capital structure is adjusted based on the funds available to the Company such that it may continue to seek new opportunities. The Board of Directors does not establish quantitative return on capital criteria, but rather relies on the expertise of management and other professionals to sustain future development of the business.

The only sources of future funds presently available to the Company are through the sale of equity capital of the Company. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

4. FINANCIAL INSTRUMENTS

Fair value

Accounts payable and other payables and loans payable are classified for accounting purposes as other financial liabilities, which are measured at amortized cost.

The carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to the relatively short periods to maturity of these instruments.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subjective and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted 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); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at April 30, 2018 and July 31, 2017 the Company did not have any financial instruments recorded at fair value which required classification within the fair value hierarchy.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

i) Liquidity risk

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at April 30, 2018, the Company had a working capital deficiency of $55,944 (July 31, 2017 - $33,621). In order to meet its longer-term working capital, the Company intends on securing further financing to ensure that those obligations are properly discharged. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change, and shareholders may suffer additional dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more operating activities. The Company’s financial liabilities generally have contractual maturities of 30 days and are subject to normal trade terms.

5. LOANS PAYABLE

During the nine-month period ended April 30, 2018 the Company obtained three separate loans for total gross proceeds of $31,526. The loans are unsecured, non-interest bearing and due on demand.

(Expressed in Canadian Dollars)

6. RELATED PARTY TRANSACTIONS

The Company has identified its directors and certain senior officers as its key management personnel. No post-employment benefits, other long-term benefits and termination benefits were incurred during the nine-months periods ended April 30, 2018 and 2017.

During the period, the Company entered into transactions with related parties comprised of Directors, Officers and Companies with common Directors.

	Three-month periods ended		Nine-month periods ended	
	April 30, 2018 $	April 30 2017 $	April 30, 2018 $	April 30 2017 $
Rent to company with a common Director	3,000	-	9,000	-
Total	3,000	-	9,000	-

The amounts due to related parties consist of the following as at April 30, 2018 and July 31, 2017:

	Note	April 30, 2018 $	July 31, 2017 $
Included in accounts payable		9,765	-
Included in loans payable	5	21,526	-
Total		31,291	-

An amount of $21,526 (2017 - $Nil) is included in loans due to related parties above and it is for working capital purposes. The amounts due to the related parties are unsecured, non-interest bearing and due on demand.

7. CAPITAL STOCK

Capital Stock

The Company is authorized to issue 202,297,706 common shares without par value. The issued and outstanding common shares consist of the following:

	# of shares		Amount
Balance at April 30, 2018 and July 31, 2017	5,142,226	$	50,179,484

7. CAPITAL STOCK (continued)

Stock Options

The Company has established a stock option plan whereby officers, directors, employees and service providers may be granted options to purchase common shares at a fixed price. Vesting and expiry provisions are determined at the date of grant. The plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital. The plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases.

During the nine-month period ended April 30, 2018 and 2017 no stock options were issued or outstanding.

8. SUBSEQUENT EVENTS

On May 16, 2018, the Company received the following revocation orders:

- Revocation Order dated May 16, 2018 from the British Columbia Securities Commission to a Cease Trade Order ("CTO") previously issued December 11, 2011; and
- Revocation Order dated May 16, 2018 from the Alberta Securities Commission to a CTO issued March 5, 2012.

The CTOs were issued by the BCSC and the ASC on December 6, 2011, as a result of the failure of the Company, under its previous management, to file annual audited financial statements and related management discussion and analysis within the required time. The Company has addressed all of the outstanding filing deficiencies and brought its continuous disclosure records on SEDAR up to date. As a condition for receiving the revocation orders, the Company has provided the Commissions with an undertaking to hold its annual shareholders' meeting within three months after the CTOs are revoked.