BIRD RIVER RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2018

(UNAUDITED – PREPARED BY MANAGEMENT)

Notice to Reader

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

The accompanying unaudited condensed consolidated 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 unaudited condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

BIRD RIVER RESOURCES INC.
Condensed Interim Consolidated Statements of Financial Position (unaudited)
(Expressed in Canadian Dollars)

	As at April 30 2018	As at July 31 2017
ASSETS		
Current		
Cash and cash equivalents (note 5)	$ 3,510,236	$ 35,456
Trade receivables	19,095	16,235
Goods and service tax recoverable	37,308	-
Prepaids	33,864	-
Current assets of discontinued operations (note 6)	-	17,357
Total current assets	3,600,503	69,048
Non-current		
Investments in joint ventures (note 7)	208,729	-
Exploration and evaluation assets (note 8)	5,602,158	-
Petroleum and natural gas interests (note 9)	68,332	81,870
Total non-current assets	5,879,219	81,870
Total assets	**$ 9,479,722**	**$ 150,918**
LIABILITIES		
Current		
Trade payables	$ 353,321	$ 140,396
Other payables (note 10)	31,620	89,678
Total current liabilities	384,941	230,074
Non-current liabilities		
Flow through premium (note 11)	66,755	-
Decommissioning obligations (note 12)	9,663	9,663
Total liabilities	461,359	239,737
SHAREHOLDERS' EQUITY		
Share capital (note 13)	10,374,191	1,012,247
Warrants (note 13)	869,722	-
Share-based payments reserve (note 14)	7,823	1,840
Deficit	(2,233,373)	(1,102,906)
Total shareholders' equity	9,018,363	(88,819)
Total liabilities and shareholders' equity	**$ 9,479,722**	**$ 150,918**

Basis of preparation and going concern assumption (note 2)

Approved by the Board:

"Jon Bridgman" Director

"Donal Carroll" Director

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

BIRD RIVER RESOURCES INC.

Condensed Interim Consolidated Statements of Comprehensive Loss (unaudited)

(Expressed in Canadian Dollars)

	3 months ended		9 months ended	
	April 30 2018	**April 30 2017**	**April 30 2018**	**April 30 2017**
Revenue				
Petroleum and natural gas revenue	$ 9,382	$ 7,644	$ 18,871	$ 20,827
Expenses				
Depletion	4,019	7,209	12,058	21,628
(Gain) on settlement of debt (note 13)	-	-	(60,960)	-
General and administrative (note 15)	1,099,258	3,376	1,182,271	72,283
Production and operating - petroleum and natural gas	3,009	4,524	8,244	12,247
Share based payments (note 14)	2,890	-	5,983	-
	1,109,176	15,109	1,147,596	106,158
Income (loss) from operations	(1,099,794)	(7,465)	(1,128,725)	(85,331)
Interest and other income	3,855	112	3,855	-
Income (loss) from discontinued operations (note 6)	(8,871)	7,877	(5,597)	18,977
Net loss and comprehensive loss for the period	**$ (1,104,810)**	**$ 524**	**$ (1,130,467)**	**$ (66,354)**
Income (loss) per common share (note 10(e)):				
Basic	$ (0.010)	$ 0.000	$ (0.023)	$ (0.006)
Fully diluted	(0.008)	0.000	(0.015)	(0.006)
Weighted average number of common shares outstanding				
Basic	110,146,687	10,570,225	49,547,921	10,570,225
Fully diluted	138,541,122	10,570,225	77,942,356	10,570,225

BIRD RIVER RESOURCES INC.

Condensed Interim Consolidated Statements of Cash Flows (unaudited)

(Expressed in Canadian Dollars)

	9 months ended April 30 2018	April 30 2017
Cash provided by (used in) operating activities		
Net loss for the period	$ (1,130,467)	$ (66,354)
Adjustments for:		
Depletion	12,058	21,628
Share based payments	5,983	-
Changes in non-cash working capital items:		
Trade receivables	(2,860)	4,757
Goods and services tax recoverable	(37,308)	3,546
Prepaids	(33,864)	-
Trade payables	212,925	22,852
Other payables	(58,058)	(18,979)
	(1,031,591)	(32,550)
Cash provided by (used in) investing activities		
Discontinued operations	18,837	(6,517)
Investments in joint ventures	(208,729)	-
	(189,892)	(6,517)
Cash provided by (used in) financing activities		
Flow through share premium	66,755	-
Share capital	4,629,508	-
	4,696,263	-
Increase (decrease) in cash and cash equivalents	3,474,780	(39,067)
Cash and cash equivalents, beginning of the period	35,456	87,845
Cash and cash equivalents, end of the period	**$ 3,510,236**	**$ 48,778**

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

BIRD RIVER RESOURCES INC.
Condensed Interim Consolidated Statements of Changes in Equity (unaudited)
(Expressed in Canadian Dollars)

	Common shares		Warrants		Share-based payments reserve	Deficit	Total
	Shares	Amounts	Number	Amounts			
Balances, July 31, 2016	**10,570,225**	**$ 1,012,247**	**$ -**	**$ -**	**$ 1,840**	**$ (919,149)**	**$ 94,938**
Net loss for the year	-	-	-	-	-	(183,757)	(183,757)
Balances, July 31, 2017	**10,570,225**	**1,012,247**	**-**	**-**	**1,840**	**(1,102,906)**	**(88,819)**
Issued for cash	47,530,709	4,712,733	-	-	-	-	4,712,733
Acquisition of High Point Oil Inc.	55,172,124	5,467,965	2,958,480	49,247	-	-	5,517,212
Acquisition costs	2,728,866	272,878	-	-	-	-	272,878
Costs of issue - cash	-	(271,157)	-	-	-	-	(271,157)
Costs of issue - broker options	-	(147,970)	5,458,455	147,970	-	-	-
Warrant valuation on private placements	-	(672,505)	18,477,500	672,505	-	-	-
Share based payments	-	-	-	-	5,983	-	5,983
Net loss for the period	-	-	-	-	-	(1,130,467)	(1,130,467)
Balances, April 30, 2018	**116,001,924**	**$ 10,374,191**	**26,894,435**	**$ 869,722**	**$ 7,823**	**$ (2,233,373)**	**$ 9,018,363**

1. Nature of operations

Bird River Resources Inc. (the "Company") is a publicly listed company incorporated under the laws of Manitoba on March 7, 1958. The mailing and office address of its executive office is 1059 Selkirk Avenue, Winnipeg, Manitoba, R2X 0C2.

The principal business activities include the acquisition and exploration of resource properties with the Company's primary focus on petroleum and natural gas properties. The Company until recently also engaged in secondary activities, from time to time, involving the purchase or acquisition of certain industrial minerals, typically diatomaceous earth and bentonite, for distribution and resale or for use in an abandoned water well sealing operation. The Company's shares are listed on the Canadian Stock Exchange under the symbol BDR.

The Company is in the exploration stage and has not yet determined whether many of its oil and gas properties contain reserves that are economically recoverable. The continued operations of the Company and the recoverability of amounts shown for exploration and evaluation assets is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its properties, and if they are proven successful, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to dispose of its interest on an advantageous basis, all of which are uncertain.

2. Basis of preparation and summary of significant accounting policies

These condensed interim consolidated financial statements of the Company for the nine month period ended April 30, 2018 (the "consolidated interim financial statements") have been prepared in accordance with IAS 34 Interim Financial Reporting.

These consolidated interim financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended July 31, 2017 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and using accounting policies consistent with those used in the Company's July 31, 2017 annual consolidated financial statements.

The consolidated interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

The consolidated interim financial statements were authorized for issue by the Board of Directors on June 29, 2018.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the condensed interim financial statements are highlighted below.

Basis of measurement

These consolidated interim financial statements have been prepared on a historical cost basis, with the exception of financial instruments classified as at fair value through profit or loss, which are measured at fair value. In addition, these consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Going concern of operations

The going concern assumption implies that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. However, there is doubt about the appropriateness of the use of the going concern assumption because the Company has experienced losses and negative cash flows from operations over a number of years.

The Company has not yet determined whether all of its exploration and evaluation assets contain reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. If the Company's exploration and development programs are successful, additional funds may be required, and the Company may not have sufficient funds to conduct the exploration required. The primary source of future funds available to the Company is through the sale of additional equity capital, which may dilute the interests of existing shareholders.

These consolidated interim financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern assumption was not appropriate, then adjustments may be necessary to the carrying value of assets and liabilities and the reported amounts of revenue and expenses.

Significant accounting judgments and estimates

The preparation of these consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated interim financial statements include estimates that, by their nature are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) the recoverability of sundry receivables that are included in the statement of financial position;
(ii) the recoverability of exploration and evaluation expenditures incurred on the Company's property interests;
(iii) although the Company has taken steps to verify title to the resource properties in which it has an interest, these procedures do not guarantee the Company's title and such properties may be subject to prior agreements or transfers and title may be affected by undetected issues;
(iv) the estimated useful lives and residual value of property and equipment which are included in the financial statements and the related depreciation included in profit or loss;
(v) the inputs used in accounting for share based payment transactions;
(vi) management's position that there are no income tax considerations required within these consolidated interim financial statements; and
(vii) management's judgment in determining the functional currency of the Company as Canadian Dollars.

Basis of consolidation

These consolidated interim financial statements include the accounts of the company and its wholly-owned subsidiaries, High Point Oil Inc. (see Note 3) and 2411181 Manitoba Ltd. All significant inter-company transactions have been eliminated on consolidation

Future accounting changes

Recent accounting announcements

Standards issued but not yet effective up to the date of issuance of these consolidated interim financial statements are listed below. This listing is of the standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The Company does not expect the impact of these new standards on its consolidated financial statements to be significant.

IFRS 9 Financial Instruments

IFRS 9, as issued, addresses the classification and measurement of financial assets and liabilities and requires any financial assets or liabilities to be classified into one of three measurement categories. The measurement categories are: (1) fair value through profit and loss; (2) fair value through other comprehensive income or loss; and (3) amortized cost. Investments in equity instruments must be measured at fair value through profit or loss; however, there is an irrevocable option to present the changes in fair value in other comprehensive income or loss. For financial liabilities, the majority of the requirements from IAS 39 have been retained. The main difference is where the fair value option is chosen for financial liabilities, the portion of the fair value change relating to an entity's own credit risk is recorded in other comprehensive income or loss as opposed to profit or loss. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 requires entities to follow a five-step model for the recognition of revenue upon the transfer of control of a good or service to the customer. The five steps are: (1) contract is identified with the customer; (2) performance obligations are identified; (3) transaction price is determined; (4) transaction price is allocated; and (5) revenue is recognized when the performance obligation is satisfied. In addition, there are enhanced revenue disclosures to provide investors with a more comprehensive understanding of the nature, amount, timing and uncertainty of revenue and cash flows from contracts. This standard replaces IAS 18 *Revenue*, IAS 11 *Construction Contracts* and related interpretations on revenue recognition. This standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 16 Leases

IFRS 16 specifies how to recognize, measure, present and disclose information relating to leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has an insignificant value. Consistent with its predecessor, IAS 17, the new lease standard continues to require lessors to classify leases as operating or finance. This standard is effective for annual periods beginning on or after January 1, 2019.

3. Acquisition of High Point Oil Inc.

On February 12, 2018 Bird River Resources Inc. announced that it had entered into a definitive agreement with the owners of High Point Oil Inc. ("High Point") of Calgary, Alberta to acquire all of the issued capital of High Point by way of a share exchange of common shares (the "Acquisition"). Pursuant to the share exchange agreement dated February 9, 2018 (the “Share Exchange Agreement”) among the Company, High Point, and the shareholders of High Point (the "High Point Shareholders"), the Company acquired all of the issued and outstanding shares of High Point (the “Purchased Shares”). As a result of obtaining 100% of the shares of High Point, Bird River has accounted for this transaction by including High Point in its consolidated results. In consideration for the Purchased Shares, Bird River issued to the High Point Shareholders an aggregate of 55,172,124 common shares at a deemed value of $0.10 per common share. The Acquisition is an arm’s length transaction and High Point has become a wholly-owned subsidiary of Bird River. The purpose of the transaction was to add additional assets and opportunity to Bird River’s oil and gas operations.

At acquisition date, the transaction was recorded as follows:

	Amount ($)	**Note**
Acquisition Price		
55,172,124 Bird River shares issued at $0.10	5,517,212	1
Allocation of Acquisition Price:		
Cash and Cash Equivalents	137,708	2
Accounts receivable	12,514	3
Prepaid expenditures	28,322	4
Exploration and Evaluation assets	5,775,558	5
Less:		
Trade payables	(370,135)	6
Flow-through share premium	(66,755)	7
	5,517,212	

1. 55,172,124 Bird River shares issued at $0.10
2. Cash and cash equivalents were all in Canadian dollars deposited at respected Canadian institutions and were deemed to have a fair market value equivalent to their face value.
3. Accounts receivable were all current and were collected subsequent to the transaction and accordingly were deemed to have a fair market value equivalent to their face value.
4. Prepaid expenditures were prepaid insurances having ongoing value to Bird River and accordingly were deemed to have a fair market value equivalent to their face value.
5. Exploration and Evaluation assets are the reason that Bird River acquired High Point. As High Point was unrelated to Bird River it was deemed that the fair value of these assets was the acquisition price adjusted for the value of other assets obtained net of liabilities. The Exploration and Evaluation assets of High Point consist of seismic data and the interpretations thereof, and mineral leases. Since incorporation, High Point acquired and interpreted over 170 sq. miles of 3D seismic, identified 20 drilling targets and acquired additional mineral rights on the open market. Such E&E assets consist of High Point's evaluation projects and are pending the determination of technical feasibility and commercial viability based on proven or probable reserves. At such time that technical and commercial viability has been proven these assets will be transferred to property, plant and equipment – development and production assets. If such viability cannot be proven these E&E assets will be written down to their estimated value. High Point was previously a private company and had not yet drilled any wells. Accordingly, High Point had never had a full reserves evaluation completed. However, High Point did acquire two properties from its founders each of which contained a target location. High Point commissioned an NI 51-101 compliant review of the two properties from Chapman Petroleum Engineering Ltd., which provided persuasive evidence that the above value and valuation method is reasonable. These documents have been attached to Bird River's listing statement currently in preparation and which will be available shortly in filings made with the CSE and will also be posted on SEDAR. Readers are cautioned that certain portions of a complete NI 51-101 report are not applicable because these NI 51-101 compliant reports were for single wells and not for all of the mineral rights held by High Point. Subsequent to the acquisition date, High Point has commenced drilling operations which will determine the technical feasibility and commercial viability of these assets.
6. Trade payables include an M&A fee payable by High Point as a result of this transaction equal to 5% of the transaction value. Trade payables are expected to be settled in Canadian dollars within the next year and are therefore valued at their face amount.
7. A flow through share premium liability is recognized on the issuance of flow through shares. The premium liability is derecognized through tax expense when qualifying expenditures are renounced to the investor and incurred by the Corporation. At the time of this transaction High Point had not yet incurred the qualifying expenditures and this liability was recognized at the amount High Point had accrued. Subsequent to the date of these consolidated financial statements, High Point has commenced drilling operations which will meet this requirement.

High Point has not yet become a revenue generating entity. Accordingly, since the acquisition date, High Point has incurred net losses of $171,294 which are included in the consolidated financial statements. Had High Point been a part of the consolidated entity since the beginning of the current fiscal year, consolidated losses would have been higher by $1.3 million.

(Expressed in Canadian dollars)

4. Exploration and evaluation expenses

During the period ended April 30, 2018, the Company has directly expensed exploration and evaluation costs in the amount of $ nil (2016- $ nil).

5. Cash and cash equivalents

	April 30, 2018 ($)	July 31, 2017 ($)
Cash	3,328,418	35,456
Cash held In Trust	161,818	-
Cash pledged as a security deposit	20,000	-
	3,510,236	35,456

Cash and cash equivalents are deposited at established Canadian financial institutions and with the Company's solicitors.

6. Discontinued operations

Effective April 30, 2018, the Company sold the inventory and related equipment of its environmental division for proceeds of $7,247.

7. Interests in joint ventures

The Company currently holds interest in joint ventures as follows:

	Interest (%)	Amount ($)
Cogeneration		120,000
Technology and Cryptocurrency Mining		88,729
		208,729

Carrying amounts represent amounts advanced by the Company towards the joint venture operators. Financial results of these ventures will be reported in future periods using the equity method of accounting.

8. Exploration and evaluation assets

High Point

High Point currently holds Exploration and Evaluation assets ("E&E assets") in Alberta consisting of geological and geophysical data, seismic data, lease rentals, tangible equipment, intangible drilling and completion costs and land acquisitions with a carrying value of $5,602,158 as at April 30, 2018.

Such E&E assets consist of High Point's evaluation projects and are pending the determination of technical feasibility and commercial viability based on proven or probable reserves. At such time that technical and commercial viability has been proven, these assets will be transferred to property, plant and equipment – development and production assets. If such viability cannot be proven, these E&E assets will be written down to their estimated value. Subsequent to the date of these financial statements, High Point has commenced drilling, completion and equipping operations which will (when complete) allow it to determine the technical feasibility and commercial viability of the majority of these assets.

For the period ended April 30, 2018, $nil were transferred to property, plant and equipment – development and production assets.

(Expressed in Canadian dollars)

Bird River

The Company previously held an exploration property known as the Ore Fault property located on the Bird River Greenstone Belt, 125 kilometers northeast of Winnipeg, Manitoba. On August 19, 2008 Marathon PGM acquired the balance of the Ore Fault property consisting of 19 claims which covers 446 hectares. Under the joint arrangement, Marathon had an option to earn 100% of the Ore Fault property once their interest reached 70%. Marathon exercised its option to require the company to sell the remaining 30% interest in the property for a purchase price of $1,450,000. The company retains a 1% net smelter return ("NSR") royalty on the Ore Fault Property.

During the year ended July 31, 2017, various petroleum leases expired resulting in write downs of exploration and evaluation assets totaling $35,127 (2016 - $91,850) relating to leases Northeast quarter 17-1-27, Northeast quarter 23-1-28 and Northeast quarter 30-1-27 (2016 - relating to leases Northwest quarter 23-1-28, Southwest quarter 23-1-28, Northeast quarter 14-4-22, Northeast quarter 2-3-26 and Southeast quarter 2-3-26).

9. Petroleum and Natural Gas Interests - Manitoba

The Company participates in a joint operation with Antler River Resources Ltd. and other parties relating to twelve oil wells in southwestern Manitoba. The Company has rights to the assets and obligations for the liabilities relating to this joint operation, therefore has recognized its share of the assets, liabilities, revenues and expenses in these consolidated financial statements. Pursuant to the arrangement, expenditures are limited to costs of surface access, building location, drilling, completing, equipping and operating or abandoning the oil wells. The related expenditures are deferred in the accounts of the Company until the technical and commercial viability of extracting resources has been demonstrated. The Company has earned an interest equal to 80% of their contribution to the costs of surface access, building location, drilling, completing, equipping and operating or abandoning the oil wells, which represents approximately a 4% interest in the joint operation. As at July 31, 2017 and 2016, technical and commercial viability of extracting resources has been demonstrated on ten oil wells and as a result the amounts previously capitalized to exploration and evaluation assets have been transferred to petroleum and natural gas properties in property and equipment and are being depleted accordingly.

The carrying amount of $68,332 (July 31, 2017 - $80,390) reflects the Company's share of its interest in producing oil and gas assets in Manitoba which are currently being depleted at the rate of 20% per annum on a declining balance basis.

10. Other payables

The Company's other payables are comprised of the following:

	April 30, 2018 ($)	July 31, 2017 ($)
Sales taxes payable	-	583
Accrued liabilities	31,620	89,095
	31,620	89,678

11. Flow-through share premium

A flow through share premium liability is recognized on the issuance of flow through shares. The premium liability is derecognized through tax expense when qualifying expenditures are renounced to the investor and incurred by the Company (Note 16).

12. Decommissioning obligations

The Company's decommissioning obligations result from its ownership interest in petroleum and natural gas properties in Manitoba (see Note 8). The total provision for decommissioning obligations is estimated based on the Company's net ownership interest in all wells and facilities, estimated costs to reclaim and abandon these wells and facilities and the estimated timing of the costs to be incurred in future years. The total estimated undiscounted cash flows required to settle the obligations, before considering salvage as at July 31, 2017 is approximately $19,000 (2016 - $19,000), which has been discounted using a pre-tax rate of 2.96% (2016 - 2.96%) reflecting the time value of money and the risks specific to the obligation. These obligations are to be settled based on the economic lives of the underlying assets, which currently extend up to 25 years (2016 - 25 years) into the future and will be funded from general corporate resources at the time of abandonment. This is reviewed on an annual basis. The company does not yet have any wells in Alberta and accordingly does not yet have any decommissioning liability related to Alberta.

(Expressed in Canadian dollars)

The Company's decommissioning obligations as at April 30, 2018 and July 31, 2017 were as follows:

	April 30, 2018 ($)	**July 31, 2017 ($)**
Balance, beginning of period/year	9,663	9,385
Accretion	-	278
Balance, end of period/year	9,663	9,663

13. Share capital

Authorized

Authorized share capital consists of an unlimited number of common voting shares.

Common shares:

Date		**Number of Common Shares**	**Amount $**
August 1 2016	Balances	10,570,225	1,012,247
	Changes during the year	-	-
July 31 2017	Balances	10,570,225	1,012,247
September 29 2017	Settlement of indebtedness (1)	2,308,709	138,523
December 22 2017	Private placement (2)	32,587,000	3,422,410
December 28 2017	Private placement (3)	12,735,000	1,151,800
	Warrant valuation		(672,505)
	Costs of issue – cash (4)		(271,157)
	Costs of issue – broker warrants (4)		(147,970)
February 12 2018	Acquisition of High Point Oil Inc. (5)	55,172,124	5,517,212
February 12 2018	Warrant valuation		(49,247)
February 12 2018	Commission paid (6)	2,728,776	272,878
April 30 2018	Balances	116,001,834	10,374,191

(1) On September 29 2017, the Company issued a total of 2,308,709 common shares at the price of $0.06 per common share to settle the amount of $138,723 of indebtedness to arm's length parties.

(2) On December 22 2017, the Company closed a first tranche of financing for 27,130,000 Units at the price of $0.10 per Unit and 5,457,000 Flow Through shares at the price of $0.13 per Flow Through share for gross proceeds of $3,422,410. Each Unit consists of one common share and one half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.20 expiring on December 22 2019.

(3) On December 28 2017, the Company closed a second tranche of financing for 10,125,000 Units at the price of $0.10 per Unit and 2,610,000 Flow Through shares at the price of $0.13 per Flow Through share for gross proceeds of $3,422,410. Each Unit consists of one common share and one half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.20 expiring on December 29 2019.

(Expressed in Canadian dollars)

(4) In connection with these private placements, the Company paid cash commissions of $321,104 and 5,458,455 Broker Warrants.
(5) Issued to the shareholders of High Point Oil Inc. at a deemed price of $0.10 per common share.
(6) Merger and acquisition fee of 5% of the value of the acquisition of High Point Oil Inc. paid in common shares of the Company to First Republic Capital Corporation.

Warrants summary:

The Company issued warrants and broker warrants in connection with private placements and is disclosed as a separate component of shareholders' equity. The fair values of the associated warrants were estimated on their dates of issue using the Black-Scholes option pricing model as follows:

Issue Date	Expiry Date	Number of Warrants	Remaining Warrants	Exercise Price	Market Price	Risk Free Interest Rate	Expected Volatility	Average Expected Life	Expected Dividend Yield	Fair Values
Dec 22 2017	Dec 22 2019	13,565,000	13,565,000	$0.20	$0.10	1.64%	100%	2 years	0%	$491,053
Dec 28 2017	Dec 28 2019	5,012,500	5,012,500	$0.20	$0.10	1.66%	100%	2 years	0%	$181,452
Balances, January 31, 2018		18,477,500	18,477,500							$672,505

Broker warrants summary:

Issue Date	Expiry Date	Broker Warrants Issued	Remaining Broker Warrants	Exercise Price	Market Price	Risk Free Interest Rate	Expected Volatility	Average Expected Life	Expected Dividend Yield	Fair Values
Dec 22 2017	Dec 22 2019	3,154,950	3,154,950	$0.20	$0.10	1.64%	100%	2 years	0%	$114,209
Dec 29 2017	Dec 29 2019	726,030	726,030	$0.20	$0.10	1.66%	100%	2 years	0%	$33,761
		3,880,980	3,880,980							$147,970

High Point warrants:

Due to the acquisition of High Point on February 12 2018, the Company exchanged warrants of the Company to the former holders of warrants of High Point as follows:

Issue Date	Expiry Date	Number pf Warrants	Remaining Warrants	Exercise Price	Market Price	Risk Free Interest Rate	Expected Volatility	Average Expected Life	Expected Dividend Yield	Fair Values
Feb 12 2018	June 5 2019	1,930,880	1,930,880	$0.00357	$0.10	0.56%	70%	2 years	0%	
Feb 12 2018	Nov 10 2019	467,600	467,600	$0.0714	$0.10	0.84%	70%	2 years	0%	
Feb 12 2018	Dec 15 2019	560,000	560,000	$0.0714	$0.10	0.99%	70%	2 years	0%	
		2,958,480	2,958,480							$49,247

Income (loss) per share

The calculation of basic and diluted income (loss) per share is calculated by dividing the net income (loss) by the weighted average number of common shares outstanding during the periods.

The calculation of fully-diluted income (loss) per share assumes all outstanding stock options, warrants and broker warrants were exercised and the underlying shares were issued and outstanding during the entire periods.

(Expressed in Canadian dollars)

14. Share-based payments

(a) Outstanding options

The following table summarizes stock options outstanding as at April 30, 2018 and July 31, 2017:

	Number outstanding (#)	**Exercise price ($)**	**Expiry date**
Directors' options	100,000 (i)	0.10	March 14, 2019
Director's options	100,000 (ii)	0.10	March 14, 2019
Director's options	1,300,000 (iii)	0.10	March 14, 2019

(i) On March 14, 2014, the Company issued 100,000 incentive stock options to a director of the Company. The exercise price is $0.10 per common share and the options expire on March 14, 2019. These options have a vesting period of 18 months with 1/6 vesting every three months beginning April 1, 2014. These options were fully vested as at July 31, 2016.

The estimated fair value of stock options granted was estimated using the Black-Scholes option pricing model on the date of grant with the following assumptions:

Expected stock price volatility	18.64%
Expected option life	5 years
Risk free interest rate	0.89%
Expected dividend yield	-
Stock price at grant	$0.10
Exercise price	$0.10

(ii) On July 7, 2017, the Company issued 100,000 incentive stock options to a director of the Company. The exercise price is $0.10 per common share and the options expire on March 14, 2019. These options have a vesting period of 18 months with 1/6 vesting every three months beginning August 1, 2017. 33,332 of these options were vested as at January 31, 2018.

The estimated fair value of stock options granted was estimated using the Black-Scholes option pricing model on the date of grant with the following assumptions:

Expected stock price volatility	33.71%
Expected option life	1.67 years
Risk free interest rate	0.68%
Expected dividend yield	-
Stock price at grant	$0.09
Exercise price	$0.10

(iii) On November 27, 2017, the Company issued 1,300,000 incentive stock options to directors and officers of the Company. The exercise price is $0.10 per common share and the options expire on March 14, 2019. These options have a vesting period of 18 months with 1/6 vesting every three months beginning November 27, 2017. 216,666 of these options were vested as at January 31, 2018.

The estimated fair value of stock options granted was estimated using the Black-Scholes option pricing model on the date of grant with the following assumptions:

(Expressed in Canadian dollars)

	50%
Expected stock price volatility	
Expected option life	1.33 years
Risk free interest rate	1.41%
Expected dividend yield	-
Stock price at grant	$0.08
Exercise price	$0.10

(b) Changes in stock options

A summary of the changes in stock option activity for the period ended January 31, 2018 and the year ended July 31, 2017 is as follows:

	April 30, 2018		**July 31, 2017**	
	Weighted average exercise price ($)	**Number of options (#)**	**Weighted average exercise price ($)**	**Number of options (#)**
Outstanding, beginning of period/year	0.10	200,000	0.10	100,000
Granted	0.10	1,300,000	0.10	100,000
Expired	-	-	-	-
Outstanding and exercisable, end of period/year	0.10	1,500,000	0.10	200,000

The options outstanding at the end of the period have an exercise price of $0.10 per share (year ended July 31, 2017 - $0.10 per share) and had a weighted average remaining contractual life of 0.87 years as at April 30, 2018 (1.62 years as at July 31, 2017).

(c) Effects on profit or loss

The total estimated fair value of options vested and recognized as an expense for the period ended April 30, 2018 was $5,983 (year ended July 31, 2017 = $ nil).

(Expressed in Canadian dollars)

15. General and administrative expenses

The general and administrative expenses incurred by the Company for the periods ended April 30, 2018 and 2017 were as follows:

	9 months ended April 30, 2018 ($)	**9 months ended April 30, 2017 ($)**
Automotive	242	2,520
Consulting fees	287,302	-
Directors fees	9,000	-
Management fees, salaries and benefits	130,311	36,000
Merger and acquisition fees	551,722	-
Office and general	57,614	5,985
Professional fees	96,090	9,848
Rent	23,147	7,200
Repairs and maintenance	-	883
Shareholder and public company costs	16,170	7,557
Telephone	3,633	1,827
Travel	7,040	463
	1,182,171	72,283

16. Related party transactions

Other than as discussed below or disclosed elsewhere in these consolidated interim financial statements, no director or officer of the Company or person or company beneficially owning, directly or indirectly, or exercising control or direction over more than 10% of the Company's outstanding securities, or any of their respective associates or affiliates, had or has any material interest, directly or indirectly, in any transaction completed within the last three years or in any proposed transaction that has materially affected or would materially affect the Company.

Key management personnel compensation of Bird River:

The Company did not pay employment based remuneration to directors, officers and other members of key management for the nine month periods ended April 30 2018 and 2017, however, the Company did pay contract based remuneration to directors, officers and other members of key management as disclosed below.

During the nine month period ended April 30 2018, the Company paid management fees in the amount of $43,000 (2017 - $22,500) to officers and directors of the Company. The Company also paid rent in the amount of $3,200 (2017 - $7,200) to a former director and officer of the Company. These amounts are recorded at the exchange amount, which is the amount agreed upon by the related parties.

As at April 30, 2018, included in trade and other payables are amounts owing to directors and officers of the Company in the amount of $9,500 (2017 - $143,762). These amounts are unsecured and non-interest bearing with no specified terms of repayment

Key management personnel compensation of High Point:

Messrs. Pfeifer and Blacker are employed full time as the CEO and CFO respectively of High Point. They are presently the only officers of High Point. During High Point's first year from incorporation (April 25 2017) to December 31 2017 a total of $178,600 in salary and consulting fees were paid to the officers of High Point. In the four months subsequent to December 31, 2017, $112,000 in salary has been paid to the officers of High Point. Of this amount $77,000 has been included in consolidated General and Administrative costs. No other director of High Point has been paid any salary or fee to date.

(Expressed in Canadian dollars)

Acquisition of High Point:

At the date of acquisition, Messrs. Pfeifer, Blacker and Carroll held 458,333, 26,700 and 100,000 shares in High Point Oil Inc. respectively which resulted in them receiving 12,833,324, 747,600 and 2,800,000 shares in Bird River respectively.

Key management personnel compensation during the period is comprised of:

	April 30, 2018 ($)	January 31, 2017 ($)
Management fees and salaries	130,311	24,000
Share based payments	5,983	-
	136,294	24.000

17. Contingencies and commitments:

In November and December 2017, the Company completed private placements, issuing common shares on a flow-through basis for total gross proceeds of $1,112,500. The Company is committed to spend this amount on eligible expenditures by December 31, 2018. To date, none of this amount has been spent.

High Point leases its office under a three year lease. Minimum lease commitments under this lease inclusive of an estimate of operating costs and property taxes are as follows:

2018	$	78,615
2019		104,820
2020		52,410
Total	$	235,845

18. Financial instruments

Risk management and hedging activities

In the normal course of operations, the Company is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Company does not meaningfully participate in the use of financial instruments to control these risks. The Company has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

Currency risk

The Company does not hold any assets or liabilities denominated in a foreign currency, therefore is not exposed to currency risk.

Price risk

The Company is exposed to price risk with respect to commodity prices of oil and gas. The Company monitors commodity prices in order to manage their exposure to these risks. An annual average change of 1% in crude oil prices would affect the reported net income by $188 for the period ended April 30, 2018 (2017 - $132)..

(Expressed in Canadian dollars)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company is exposed to credit risk on its financial assets. Cash is held with established Canadian financial institutions and the Company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The Company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

The carrying amount of financial assets recorded in the consolidated interim financial statements of $33,566,639 (July 31, 2017 - $51,691) represents the maximum exposure to credit risk at the reporting date.

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the Company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at April 30, 2018, the Company had working capital in the amount of $33,215,562 (July 31, 2017 – deficiency of $161,026).

The contractual maturities of financial liabilities based on the earliest date on which payment can be required are as follows:

	Total amount ($)	**6 months or less ($)**	**More than 6 months ($)**
As at April 30, 2018:			
Trade payables	353353,321	32,080	-
Other payables	31,696	31,696	-
	384384,941	63,776	-
As at July 31, 2017:			
Trade payables	140,396	140,396	-
Other payables	89,678	89,678	-
	230,074	230,074	-

Interest rate risk

The Company is not exposed to any meaningful interest rate risk due to the short term nature of its interest generating assets.

Sensitivity analysis

The Company had cash and cash equivalents subject to interest rate risk of $33,510,236 (July 31, 2017 - $35,456). A 1% change in the primary interest rate would affect the reported net income on an annualized basis for the period ended April 30, 2018 by $35,102 (2017 - $355).

Fair values, carrying amounts and changes in fair value

The fair values of the Company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the consolidated interim statement of financial position, have been prioritized into three levels:

(Expressed in Canadian dollars)

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level two includes inputs that are observable other than quoted prices included in level one; and
- Level three includes inputs that are not based on observable market data.

The Company's financial instruments within the fair value hierarchy as at April 30, 2018 and July 31, 2017 were as follows:

	Level 1 ($)	**Level 2 ($)**	**Level 3 ($)**
As at April 30April 30, 2018:			
Cash and cash equivalents	33,510,236	-	-
As at July 31, 2017:			
Cash and cash equivalents	35,456	-	-

Collateral

The carrying value of financial assets the company has pledged as collateral is $ nil (2017 - $ nil).

19. Capital management

The Company considers its capital structure to consist of share capital, stock options and warrants. When managing capital, the Company's objective is to ensure that the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of mineral and petroleum and natural gas properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the company's management to sustain future development of the Company's operations. As at April 30, 2018, the Company had managed capital, being total equity on the consolidated interim statement of financial position of $99,018,363 (July 31, 2017 – net deficit of $88,819).

A number of the properties in which the Company currently has an interest are in the exploration stage. The company has resources to complete 3 new wells on the assets it acquired as part of the High Point acquisition but is dependent on external financing and the results of the first three wells to fund its future activities. In order to carry out the planned exploration and pay for administrative expenses, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties it if feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

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

There were no changes in the Company's approach to capital management during the period ended April 30, 2018. The Company is not subject to externally imposed capital requirements.