Financial Statements

Icon Exploration Inc.

September 30, 2016

(Unaudited, expressed in Canadian Dollars)

Responsibility for Financial Statements

The accompanying condensed interim financial statements for Icon Exploration Inc. have been prepared by management in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgement. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these unaudited condensed interim financial statements have been fairly presented.

The auditors of Icon Exploration Inc. have not performed a review of the unaudited condensed interim financial statements for the nine months ended September 30, 2016.

Icon Exploration Inc.
Condensed statements of financial position
(Unaudited, expressed in Canadian dollars)

	September 30 2016 (Unaudited)	December 31 2015 (Audited)
Assets		
Current assets		
Cash and cash equivalents	**$ 1,182**	$ 410
Accounts receivable	**3,519**	5,557
Total Assets	**$ 4,701**	$ 5,967
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	**$ 246,291**	$ 225,261
Short-term loans from directors (note 5)	**209,285**	161,950
	455,576	387,211
Shareholders' Equity		
Share Capital (note 6)	**12,197,520**	12,197,520
Shares to be issued (note 6)	**6,400**	2,000
Reserves (notes 7 & 8)	**965,267**	965,267
Deficit	**(13,620,062)**	(13,546,031)
	(450,875)	(381,244)
Total Equity and Liabilities	**$ 4,701**	$ 5,967

Going Concern - Note1

The accompanying notes are an integral part of these financial statements

Icon Exploration Inc.
Condensed statements of comprehensive loss
(Unaudited, expressed in Canadian dollars)

,	Three months ended September 30 **2016**	2015	Nine months ended September 30, **2016**	2015
Revenue	$ -	$ -	**$ -**	$ -
Expenses				
Administration (note 4)	**9,000**	18,000	**27,000**	36,000
Filing fees and transfer fees	**2,227**	1,648	**10,895**	17,474
Legal	**3,249**	11,535	**10,539**	30,250
Office and general	**181**	87	**280**	553
Financing fee (note 5)	-	-	**4,400**	7,000
Interest on shareholders' loan (note 4 & 5)	**6,699**	6,075	**20,805**	11,084
Stock based compensation (note 7)	-	-	**-**	16,591
Insurance	-	-	**-**	1,006
Audit	**1,000**	-	**1,560**	-
Foreign exchange loss	**217**	1,843	**(1,448)**	3,592
	21,573	33,113	**74,031**	123,550
Net loss and other comprehensive loss	**(21,573)**	**(33,113)**	**$ (74,031)**	$(123,550)
Basic and diluted loss per share (note 9)	**$ 0.00**	$ 0.00	**$ (0.01)**	**$ (0.01)**

The accompanying notes are an integral part of these financial statements

Icon Exploration Inc.
Condensed statements of cash flows
(Unaudited, expressed in Canadian dollars)

For the nine months ended June 30,	2016	2015
CASH USED IN		
OPERATING ACTIVITIES		
Net loss for the period	$ **(74,031)**	$ (123,550)
Items not affecting cash		
Financing fees	**4,400**	7,000
Stock-based compensation	**-**	16,591
Interest on shareholders' loan	**20,805**	11,084
Issuance of shares for debt settlement	**-**	18,000
	(48,826)	**(70,875)**
Net change in non-cash working capital items		
Receivable	**2,038**	1,097
Accounts payable and accrued liabilities	**21,030**	(5,478)
	(25,758)	(75,256)
FINANCING ACTIVITIES		
Loan from directors	**26,530**	35,000
CHANGE IN CASH	**772**	(40,256)
CASH, beginning of period	**410**	2,730
CASH, end of period	$ **1,182**	$ (37,526)
Non-cash items excluded from financing activities		
Shares issued or to be issued for financing fees	$ **4,400**	$ 7,000
Shares issued for debt settlement	-	18,000

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

Icon Exploration Inc.
Condensed statements of changes in equity
(Unaudited, expressed in Canadian dollars)

	Share Capital		Reserves				
	Number of shares	Amount $	Contributed surplus $	Warrants $	Deficit $	Total	$
Balance, December 31, 2014	13,596,428	12,174,520	-	785,908	162,768	(13,371,862)	(248,666)
Bonus shares issued for short term loan	100,000	5,000	-	-	-	-	5,000
Shares to be issued	-	-	2,000	-	-	-	2,000
Shares issued for Siguiri settlement	600,000	18,000	-	-	-	-	18,000
Stock based compensation	-	-	-	16,591	-	-	16,591
Net loss for the period	-	-	-	-	-	(84,362)	(84,362)
Balance, September 30, 2015	14,296,428	12,197,520	-	802,499	162,768	(13,456,224)	(293,437)
Net loss for the period	-	-	-	-	-	(89,807)	(89,807)
Balance, December 31, 2015	14,296,428	12,197,520	2,000	802,499	162,768	(13,546,031)	(381,244)
Shares to be issued	-	-	4,400	-	-	-	4,400
Net loss for the period	-	-	-	-	-	(74,031)	(74,031)
Balance, September 30, 2016	14,296,428	12,197,520	6,400	802,499	162,768	(13,620,062)	(450,875)

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

1. Corporate Information and Going Concern

Icon Exploration Inc. ("Icon" or "the Company") was incorporated pursuant to the Canada Business Corporations Act on February 5, 2008 and is in the business of acquiring, exploring and developing mineral properties. The Company is listed on the TSX Venture Exchange and transfered to NEX listing on January 26, 2016. The Company's registered and records office is located at 157 Adelaide Street West, Suite 320, Toronto, Ontario M5H 4E7.

Effective January 1, 2015, the Company has re focused itself from a mineral exploration company to a company that seeks to acquire an operating company through an amalgamation of assets.

These financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the nine months ended September 30, 2016, the Company incurred a loss of $ 74,031 and the accumulated deficit as at September 30, 2016 was $ 13,620,062 . As at September 30, 2016, the Company had a working capital deficit of $ 450,875 , which is insufficient to finance its operating costs over the next twelve months without additional funding. These conditions cast substantial doubt as to the Company's ability to continue as a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet 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 Presentation

These condensed financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, these condensed financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Critical accounting estimates and judgements
The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The financial statements were approved by the Board of Directors on October 28, 2016.

3. Significant Accounting Policies

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Standards Interpretations Committee ("IFRIC"). The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim reporting period. Furthermore the information on accounting standards effective in future periods and not yet adopted remains unchanged from that disclosed in the annual financial statements.

(Unaudited, expressed in Canadian dollars)

4. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company's senior management. Parties are also related if they are subject to common control or significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. The following are the related party transactions for the nine months ended September 30, 2016:

For the nine months ended September 30,		**2016**	2015
(a) Administration and management fees	$	27,000	$ 36,000
Stock based compensation		-	16,591
Interest on short term loans		20,805	11,084
	$	47,805	$ 63,675

(b) During the nine months ended September 30, 2016, the Company received short-term loan proceeds totaling $26,530 from two directors of the Company. (See Note 5). Short term loans payable, including interest of $20,805 (2015: $11,084) are due to current and former officers of the Company.

Related party liabilities included in accounts payable and accrued liabilities and other payables are as follows:

		September 30 2016	December 31 2015
Administration and management fees	$	63,000	$ 36,000
Interest on short term loan		47,754	26,949
Cash advances by directors		4,375	11,875
Short term loan from directors		161,530	135,000
	$	276,659	$ 209,824

Transactions with related parties are recorded at the exchange amount, being the price agreed between the parties.

5. Short-Term Loans

The Company has entered into a loan agreement dated April 9, 2014 with a lender (appointed CEO and a director of the Company in November 2014) for $25,000 and three additional loan agreements dated April 21, 2014, June 27, 2014, and October 13, 2014, respectively, of $25,000 each with another lender (former director of the Company), with interest at a rate of 18% per annum (the “Interest Amount”). On February 19, 2015 and March 29, 2015 the Company entered into two additional loan agreements with directors of the Company for an aggregate amount of $35,000 (the “Principal Loan Amount”).

Between January 1, 2016 and September 30, 2016, additional loans aggregating $26,530 were advanced by two directors for a cumulative total loan advances of $161,530.

Under the terms of all loan agreements, the Company will have 60 days from the date of receipt of a written demand notice to repay the Principal Loan Amount and the Interest Amount to the respective lender. Unless the Company is in default under a loan agreement, the lender may not demand payment at any time prior to the date which is one year from the date of the respective loan agreement. These loans are secured by promissory notes.

As additional consideration for the lenders entering into the loan agreements, the lender is entitled to receive incentive bonus shares on the basis of 100,000 common shares for each $25,000 loan. The issuance of these shares is subject to approval from the TSXV Exchange. As September 30, 2016, 128,000 shares remain to be issued. These shares have been valued at $6,400.

At at September 30, 2016, interest of $47,754 (December 31, 2015: $26,949) has been accrued and is included in short term loans payable.

6. Share Capital

a) Authorized:

i) Unlimited common shares without par value.
ii) Unlimited class B non-voting preference shares without par value.
iii) Unlimited class C super voting shares without par value.

b) Issued:

As at September 30, 2016 and December 31, 2015, the issued share capital amounted to $12,179,520 respectively.

During the nine months ended September 30, 2016, 128,000 bonus incentive common shares remains to be issued valued at $6,400.

(Unaudited, expressed in Canadian dollars)

7. Stock Options

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

The Company records a charge to the statement of loss and comprehensive loss using the Black Scholes fair valuation option pricing model with respect to a share option grant. The valuation is dependent on a number of estimates, including the risk free interest rate, the level of share volatility, together with an estimate of the level of forfeiture. The level of share volatility is calculated with reference to the historic traded daily closing share price at the date of issue. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

No share purchase options were granted during the nine months ended September 30, 2016.

On March 13, 2015, the Company granted 1,359,642 share purchase options to directors and officers exercisable at $0.05 per share with an expiry date of March 13, 2020 and was valued at $16,591. The assumptions underlying the fair value of the share purchase options were as follows: risk free interest rate - 0.98%; dividend yield - 0%; expected stock volatility - 100% and an option life - 5 years.

8) Share Purchase Warrants

As at September 30, 2016, there were 2,604,000 share purchase warrants outstanding which are exercisable at $0.50 per share with an expiry date of October 31, 2017.

9. Loss per share

The following table sets out the computation for basic and diluted loss per share for the nine months ended September 30, 2016 and 2015:

For the nine months ended September 30,		**2016**		2015
Net loss income attributable to common shareholders basic and diluted	$	(74,031)	$	(123,550)
Weighted average number of common shares outstanding basic and diluted		14,296,428		14,268,094
Basic and diluted loss per share	$	(0.01)	$	(0.01)

The options and warrants for the nine months ended September 30, 2016 and 2015 were excluded from the computation of diluted loss per share as the potential effect was anti-dilutive.

10. Capital Management

The Company's capital is composed of share capital, reserves and deficit. The Company manages its capital within the following objectives:
(a) to ensure that there is sufficient financial flexibility to achieve the ongoing business objectives; and
(b) to maximize shareholder return through enhancing shareholder value.
Management periodically reviews its capital management approach 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 for the nine months ended September 30, 2016. The Company is not subject to externally imposed capital requirements.

11. Financial Risk Management

The Company's financial risk exposures and the impact on the Company's financial instruments are as follows:
(a) Credit risk:
The Company's credit risk is primarily attributable to cash and cash equivalents and accounts receivable. The Company has no significant concentration of credit risk arising from financial instruments.

(b) Liquidity risk:
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2016, the Company has a working capital deficiency of $450,875 (December 31, 2015: $381,244). The Company had a cash balance of $ 1,182 (December 31, 2015 : $410) to settle current financial liabilities of $ 455,576 (December 31, 2015: $387,211). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms, except short term loans.

(c) Fair Value:
The carrying amount of each accounts payable and accrued liabilities and short term loans approximates their fair value because of the short term maturities of these items.

12. Contingencies

Claim by a former director/consultant
On March 4, 2013, a notice of civil claim against the Company was filed with the Supreme Court of British Colombia by a former director/consultant of the Company claiming an amount of $133,097 for unpaid fees and expenses. On November 27, 2013, the Company was served with the notice of the civil claim. The Company believes this claim is without merit.
On January 10, 2014, a response was filed disputing the claim as the director/consultant was terminated for just cause. On January 10, 2014, the Company filed a counterclaim seeking certain monetary returns from the claimant. As at September 30, 2016, there was no further development with respect to this claim.