Financial Statements

Icon Exploration Inc.

March 31, 2017

(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 three months ended March 31, 2017.

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

	March 31 2017 (Unaudited)	December 31 2016 (Audited)
Assets		
Current assets		
Cash and cash equivalents	$ 16,628	$ 1,022
Accounts receivable	4,676	4,742
Total Assets	$ 21,304	$ 5,764
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	$ 323,377	$ 312,910
Short-term loans from directors (note 5)	255,992	237,786
	579,369	550,696
Shareholders' Equity		
Share Capital (note 6)	12,238,861	12,197,520
Shares to be issued (note 6)	-	2,000
Reserves (notes 7 & 8)	988,147	965,267
Deficit	(13,785,073)	(13,709,719)
	(558,065)	(544,932)
Total Equity and Liabilities	$ 21,304	$ 5,764

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)

For the three months ended March 31,	**2017**	2016
Revenue	**$ -**	$ -
Expenses		
Administration (note 4)	**18,000**	9,000
Exploration and evaluation assets	**5,000**	-
Filing fees and transfer fees	**5,887**	4,735
Legal	**13,261**	2,790
Stock based compensation (note 7)	**17,423**	-
Office and general	**7,347**	35
Audit	**1,630**	560
Interest on shareholders' loan (note 4 & 5)	**6,848**	6,501
Foreign exchange loss	**(234)**	(1,741)
Bank charges	**192**	-
Financing fee (note 5)	**-**	4,400
	75,354	26,280
Net loss and other comprehensive loss	**$ (75,354)**	$ (26,280)
Basic and diluted loss per share (note 9)	**$ 0.00**	**$ 0.00**

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 three months ended March 31,		**2017**		2016
CASH USED IN				
OPERATING ACTIVITIES				
Net loss for the period	**$**	**(75,354)**	$	(26,280)
Items not affecting cash				
Stock-based compensation		**17,423**		-
Interest on shareholders' loan		**6,848**		6,501
Financing fees		**-**		4,400
		(51,083)		**(15,379)**
Net change in non-cash working capital items				
Receivable		**66**		2,666
Accounts payable and accrued liabilities		**10,468**		(2,042)
		(40,549)		(14,755)
FINANCING ACTIVITIES				
Loan from directors		**11,358**		22,000
Private Placement		**49,000**		**-**
Cost of issue		**(4,203)**		**-**
		56,155		**-**
CHANGE IN CASH		**15,606**		7,245
CASH, beginning of period		**1,022**		410
CASH, end of period	**$**	**16,628**	$	7,655
Non-cash items excluded from financing activities				
Shares issued or to be issued for financing fees	**$**	**-**	$	4,400

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 $	Shares to be issued $	Contributed surplus $	Warrants $	Deficit $	Total $
Balance, December 31, 2015	14,296,428	12,197,520	2,000	802,499	162,768	(13,546,031)	(381,244)
Net loss for the period	-	-	-	-	-	(26,280)	(26,280)
Balance, March 31, 2016	14,296,428	12,197,520	2,000	802,499	162,768	(13,572,311)	(407,524)
Net loss for the period	-	-	-	-	-	(137,408)	(137,408)
Balance, December 31, 2016	14,296,428	12,197,520	2,000	802,499	162,768	(13,709,719)	(544,932)
Private placement	980,000	49,000	-	-	-	-	49,000
Cost of issue	-	(4,955)	-	-	753	-	(4,202)
Bonus shares issued	40,000	2,000	(2,000)	-	-	-	-
Value of warrants issued	-	(4,704)	-	-	4,704	-	-
Value of stock options issued	-	-	-	17,423	-	-	17,423
Net loss for the period	-	-	-	-	-	(75,354)	(75,354)
Balance, March 31, 2017	15,316,428	12,238,861	-	819,922	168,225	(13,785,073)	(558,065)

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

1. Nature of Operations and Going Concern

Icon Exploration Inc. ("Icon" or "the Company") was incorporated pursuant to the Canada Business Corporations Act on February 5, 2008 and was in the business of acquiring, exploring and developing mineral properties. The Company was listed on the TSX Venture Exchange and subsequently moved to the 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.

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 three months ended March 31, 2017, the Company incurred a loss of $73,354 and the accumulated deficit as at March 31, 2017 was $13,785,073. As at March 31, 2017, the Company had a working capital deficit of $558,065, which is insufficient to finance operating costs over the next twelve months without additional funding. These conditions cast significant 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 May 25, 2017.

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 three months ended March 31, 2017:

For the three months ended March 31,,		**2017**	2016
(a)	Administration and management fees	$ 18,000	$ 9,000
	Stock based compensation	17,423	-
	Interest on short term loans	6,848	6,501
		$ 42,271	$ 15,501

(b) During the three months ended March 31, 2017, the Company received short-term loan proceeds totaling $11,358 from a director of the Company.

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

	March 31, 2017	**December 31,** 2016
Administration and management fees	$ 122,500	$ 104,500
Interest on short term loan	77,760	70,912
Short term loan from directors	178,233	166,875
	$ 378,493	$ 342,287

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 loan agreements with directors totalling $178,233 as at March 31, 2017 with interest at a rate of 18% per annum (the "Interest Amount").

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 lenders receive incentive bonus aggregating 1,140,000 shares.

At at March 31, 2017, interest of $77,759 (December 31, 2016: $70,912) has been accrued and is included in short term loans payable.

6. Share Capital

a) Authorized:

Share capital consists of an unlimited number of Class "A" common shares without par value. Issued shares are fully paid. All warrants and compensation options were valued using the Black Scholes pricing model.

b) Issued:

Private Placements
On March 17, 2017, the Company closed a first tranche of a private placement financing in which it has issued 980,000 units for gross proceeds of $49,000. Each unit consists of one common share and one-half warrant. Each whole warrant is exercisable at $0.10 per share for a period of 12 months from the date of issuance. In conjunction with the closing, the agent received a cash commission of $4,203 which equals 8% of the gross proceeds raised plus expenses and a total of 78,400 agent warrants valued at $753 representing an amount equal to 8% of the units issued under the financing. Each agent warrant is exercisable into one common share of the Company at an exercise price of $0.10 per share for a period of one year.

(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.

On February 21, 2017, the Company granted incentive stock options to its directors to purchase up to an aggregate of 392,405 common shares of the Company. The options are exercisable for a period of ten years at a price of $0.05 per share. The fair value of the 392,405 stock options granted is estimated at $17,423 using the Black-Scholes model for option pricing. The assumptions underlying the fair value of the share purchase options were as follows: risk free interest rate - 0.38%; dividend yield - 0%; expected stock volatility - 100% and an option life - 10 years.

The following is a continuity schedule for each series of stock options outstanding at March 31, 2017.

Expiry Date	**Exercise Price ($)**	**Outstanding at December 31, 2016**	**Granted**	**Exercised**	**Expired/ Cancelled**	**Outstanding at March 31, 2017**	**Fair Value($)**
March 13, 2020	0.05	1,037,237	-	-	-	1,037,237	16,591
February 21, 2027	0.05	-	392,405	-	-	392,405	17,423
		1,037,237	**392,405**	**-**	**-**	**1,429,642**	$**34,014**

8) Share Purchase Warrants

In connection with the private placement refered to in note 6, the Company issued 490,000 share purchase warrants and 78,400 agent warrants. The relative fair value of the 490,000 warrants and the 78,400 agent warrants issued in connection with the private placement on March 17, 2017 has been estimated at $4,704 and $753 respectively using the Black Scholes model for pricing options under the following weighted average assumptions: risk free interest rate 0.38%; dividend yield 0%; expected stock volatility 100%; and an expected life of 1 years.

The following is a continuity schedule for each series of warrants outstanding as of March 31, 2017:

Expiry Date	**Exercise Price ($)**	**Outstanding at December 31, 2016**	**Issued**	**Exercised**	**Expired/ Cancelled**	**Outstanding at March 31, 2017**	**Fair Values($)**
October 31, 2017	0.50	2,604,000	-	-	-	2,604,000	162,768
March 17, 2018	0.10	-	568,400	-	-	568,400	5,457
		2,604,000	**568,400**	**-**	**-**	**3,172,400**	**$168,225**

(Unaudited, expressed in Canadian dollars)

9. Loss per share

The following table sets out the computation for basic and diluted loss per share for the three months ended March 31, 2017 and 2016:

For the three months ended March 31,		**2017**		2016
Net loss income attributable to common shareholders basic and diluted	$	(75,354)	$	(26,280)
Weighted average number of common shares outstanding basic and diluted		15,146,428		14,296,428
Basic and diluted loss per share	$	0.00	$	0.00

The options and warrants for the three months ended March 31, 2017 and 2016 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 three ended March 31, 2017. 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 March 31, 2017, the Company has a working capital deficiency of $ 558,065 (December 31, 2016: $544,932_). The Company had a cash balance of $ 16,628 (December 31, 2016 : $1,022) to settle current financial liabilities of $ 579,369 (December 31, 2016: $550,696). 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 March 31, 2017, there was no further development with respect to this claim.

13. Subsequent events

On April 21, 2017, the Company closed a second tranche of a private placement financing in which it has issued 1,000,000 units for gross proceeds of $50,000. Each unit consists of one common share and one-half warrant. Each whole warrant is exercisable at $0.10 per share for a period of 12 months from the date of issuance. In conjunction with the closing, the agent received a cash commission in an amount which equals 8% of the gross proceeds raised plus expenses and a total of 80,000 agent warrants representing an amount equal to 8% of the units issued under the financing. Each agent warrant is exercisable into one common share of the Company at an exercise price of $0.10 per share for a period of one year.

On April 24, 2017, the Company issued 4,196,730 shares at a deemed price of $0.05 per share to settle an aggregate of $209,837 in debt owed to directors and officers of the Company.