Altitude Resources Inc.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2018

(Expressed in Canadian Dollars)

(unaudited)

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NOTICE TO SHAREHOLDERS

MANAGEMENT'S RESPONSIBILITY FOR CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Altitude Resources Inc. ("Altitude") are the responsibility of the Board of Directors. The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These unaudited condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with Altitude's audited annual financial statements and notes thereto for the year ended July 31, 2017. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies and methods of application as those included in Altitude's most recent audited annual financial statements. Management acknowledges responsibility for the preparation and presentation of the financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to Altitude's circumstances. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34, Interim Financial reporting using accounting policies consistent with IFRS appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of Altitude, as of the date of, and for the period presented by, the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities.

Management recognizes its responsibility for conducting Altitude's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Signed"	*"Signed"*
Eugene Wusaty	Doug Porter
President & Chief Executive Officer	Chief Financial Officer

AUDITOR INVOLVEMENT

The accompanying unaudited condensed interim consolidated financial statements of Altitude have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the three and nine months ended April 30, 2018 have not been reviewed by Altitude's auditors.

Altitude Resources Inc.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
As at April 30, 2018
(unaudited)

		Apr 30 2018		July 31 2017
Assets				
Current				
Cash and cash equivalents	$	**410,494**	$	58,305
Amounts receivable		**7,804**		598,084
Other prepaids		**8,078**		8,078
Marketable securities		**295,357**		-
		721,733		664,467
Exploration and evaluation assets (Note 5)		**2,843,661**		2,472,984
Due from related party		**12,779**		12,779
	$	**3,578,173**	$	3,150,230
Liabilities				
Current				
Accounts payable and accrued liabilities	$	**870,865**	$	1,279,003
Due to related parties (Note 6)		**45,138**		45,138
Due on demand loan (Note 7)		**39,278**		37,483
		955,281		1,361,624
Shareholders' Equity				
Share capital (Note 8)		**4,080,306**		4,080,306
Warrants (Note 9)		**600,735**		600,735
Contributed surplus (Note 9)		**95,025**		95,025
Deficit		**(2,153,174)**		(2,987,460)
		2,622,892		1,788,606
	$	**3,578,173**	$	3,150,230

Going concern (Note 2)
Commitments and contingencies (Note 11)
Subsequent event (Note 14)

Approved by the Board "*Doug Porter*" Director **(Signed)** "*Gene Wusaty*" Director **(Signed)**

Altitude Resources Inc.
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
(unaudited)

	Share Capital Class "A" Voting Common Shares					
	Number	**Amount**	**Warrants**	**Contributed Surplus**	**Deficit**	**Total Equity**
Balance, July 31, 2016	**23,055,908**	**$ 3,784,603**	**$ 600,735**	**$ 104,378**	**$ (2,732,946)**	**$ 1,756,770**
Flow through private placement (Note 8)	3,200,000	320,000	-	-	-	320,000
Flow-through share premium (Note 8)	-	(32,000)	-	-	-	(32,000)
Share issuance costs (Note 8)	-	(11,250)	-	-	-	(11,250)
Stock options exercised (Note 9)	120,000	18,953	-	(9,353)	-	9,600
Net loss and comprehensive loss	-	-	-	-	(254,514)	(254,514)
Balance, July 31, 2017	**26,375,908**	**$ 4,080,306**	**$ 600,735**	**$ 95,025**	**$ (2,987,460)**	**$ 1,788,606**
Net income	-	-	-	-	540,488	540,488
Elimination of previously accrued executive compensation	-	-	-	-	325,000	325,000
Unrealized loss on revaluation f marketable securities	-	-	-	-	(265,822)	(265,822)
Equity interest in Elan previously written down	-	-	-	-	234,620	234,620
Balance, April 30, 2018	**26,375,908**	**$ 4,080,306**	**$ 600,735**	**$ 95,025**	**$(2,153,174)**	**$ 2,622,892**

Altitude Resources Inc.
Condensed Interim Consolidated Statements of Comprehensive Income/(Loss)
(Expressed in Canadian Dollars)
For the three and nine months ended April 30, 2018
(unaudited)

		Three months ended 30-Apr-18		Three months ended 30-Apr-17		Nine months ended 30-Apr-18		Nine months ended 30-Apr-17
Expenses								
Salaries	$	68,000	$	48,000	$	164,000	$	164,000
General expenses		30,498		21,920		72,071		92,769
Loss from operations	-	98,498		(69,920)		(236,071)		(256,769)
Other income (expenses)								
Gain on disposition of interest in Elan		776,559		-		776,559		-
Net income/(loss)	$	678,061	$	(69,920)	$	540,488	$	(256,769)
Unrealized loss on revaluation of marketable securities		(265,822)		-		(265,822)		-
Comprehensive income/(loss)	$	412,239	$	(69,920)	$	274,666	$	(256,769)
Loss per share								
Basic and diluted	$	0.03	$	(0.00)	$	0.02	$	(0.01)
Weighted average number of common shares outstanding								
Basic and diluted		26,375,908		26,255,908		26,375,908		24,474,223

Altitude Resources Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
For the three and nine months ended April 30, 2018
(unaudited)

	Three months ended 30-Apr-18	Three months ended 30-Apr-17	Nine months ended 30-Apr-18	Nine months ended 30-Apr-17
Cash provided by (used in)				
Operations				
Comprehensive income/(loss)	$ **412,239**	$ (117,135)	$ **274,666**	$ (256,769)
Items not affecting cash				
Share-based proceeds on disposition of interest in Elan	**(561,179)**	-	**(561,179)**	-
Unrealized loss on revaluation of marketable securities	**265,822**	-	**265,822**	-
	116,882	(117,135)	**(20,691)**	(256,769)
Net changes in non-cash working capital				
Amounts receivable	**(3,097)**	41,337	**590,280**	497,520
Accounts payable and accrued liabilities	**(295,293)**	124,816	**(406,343)**	167,040
Elimination of previously accrued executive compensation	**325,000**	-	**325,000**	-
Prepaid expenses	**500**	-	**-**	(6,078)
	27,110	**166,153**	**508,937**	**658,482**
Investing				
Exploration and evaluation assets	**(9,102)**	(46,457)	**(370,677)**	(456,173)
Capital assets	**-**	-	**-**	-
	(9,102)	(46,457)	**(370,677)**	(456,173)
Financing				
Proceeds from issue of share capital	-	-	-	308,750
Equity interest in Elan previously written down	**234,620**	-	**234,620**	-
	234,620	-	**234,620**	308,750
Net change in cash and cash equivalents	**369,510**	2,561	**352,189**	254,290
Cash and cash equivalents, beginning of period	**40,984**	237,402	**58,305**	(14,327)
Cash and cash equivalents, end of period	$ **410,494**	$ 239,963	$ **410,494**	$ 239,963

1. NATURE OF OPERATIONS

Altitude Resources Inc. (the "Company" or "Altitude") was incorporated under the Business Corporations Act (Ontario) on January 19, 2011. Shares of Altitude began trading on the TSX Venture Exchange under the symbol ALI on February 15, 2013.

Altitude is a junior coal exploration company with a current exploration focus in northwest Alberta. The primary office of the Company is located at #1100, 736 – 8th Avenue SW, Calgary, Alberta, Canada, T2P 1H4.

The Company is in the process of exploring, and has not yet fully determined the quality and quantity of coal resources on its properties. Accordingly, as is common with exploration companies, the Company is dependent upon obtaining necessary equity financing from time to time to finance its on-going and planned exploration activities and to cover administrative costs.

These financial statements were authorized for issue by the board of directors on July 3, 2018.

2. GOING CONCERN

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that 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 operations. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future. Accordingly, these Financial Statements do not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts that may differ from those shown in the consolidated financial statements.

The reader is also directed to review note 13(c) - ***Financial instruments – Liquidity risk***.

At April 30, 2018, the Company had working capital deficit of $233,548, a net cash position of $410,494 and an accumulated deficit of $2,153,174. In order to meet its planned exploration expenditures for its projects as well as further working capital requirements, it will be required to complete a financing (debt or equity). Subsequent to April 30, 2018, management announced its intention to reorganize the capital structure of the Company in an effort to maximize shareholder value. See Note 14, Subsequent Event.

3. BASIS OF PRESENTATION

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting on the basis of International Financial Reporting Standards ("IFRS"). IFRS represents standards and interpretations approved by the International Accounting Standards Board ("IASB"), and are comprised of IFRSs, International Accounting Standards ("IASs"), and interpretations issued by the IFRS Interpretations Committee ("IFRICs") or the former Standing Interpretations Committee ("SICs").

These unaudited condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with the Altitude's audited annual financial statements and notes thereto for the year ended July 31, 2017. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies and methods of application as those included in Altitude's most recent audited annual financial statements.

These unaudited condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which have been measured at fair value. In the opinion of management, all adjustments considered necessary for a fair presentation have been included.

The presentation and functional currency of the Company is the Canadian dollar.

4. SIGNIFICANT ACCOUNTING POLICIES

The financial framework and accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those as disclosed in Altitude's most recently completed audited annual financial statements for the year ended July 31, 2017.

Recent Accounting Pronouncements

The accounting pronouncements detailed below have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

- Pronouncements effective for annual periods beginning on or after January 1, 2018:

In July 2014, the IASB issued the final version of IFRS 9, Financial Instruments. The new standard will replace IAS 39, Financial instruments: recognition and measurement. The final amendments made in the new version include guidance for the classification and measurement of financial assets and a third measurement category for financial assets, fair value through other comprehensive income. The standard also contains a new expected loss impairment model for debt instruments measured at amortized cost or fair value through other comprehensive income, lease receivables, contract assets and certain written loan commitments and financial guarantee contracts. The standard is effective for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exceptions. Early adoption is permitted. Restatement of prior periods in relation to the classification and measurement, including impairment, is not required.

IFRS 16 - Leases sets out the principles for the recognition, measurement and disclosure of leases.
IFRS 16 provides revised guidance on identifying a lease and for separating lease and non-lease components of a contract. IFRS 16 introduces a single accounting model for all lessees and requires a lessee to recognize right of-use assets and lease liabilities for leases with terms of more than 12-months, unless the underlying asset is of low value. Under IFRS 16, lessor accounting for operating and finance leases will remain substantially unchanged. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier application permitted for entities that apply IFRS 15 Revenue from Contracts with Customers.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Apr 2018	July 31 2017
Balance beginning of year – Palisades and Altitude North Properties	**$ 2,472,984**	$ 2,457,298
Acquisition cost and leases	**33,789**	42,945
Exploration	**336,888**	1,325,757
JOGMEC contribution	**-**	(1,353,016)
Balance end of year – Palisades Property	**2,843,661**	2,472,984
Balance beginning of year – Elan Coal Property	**-**	-
Equity interest previously written off	**234,620**	-
Exploration	**-**	5,000
Kuro's contribution	**-**	-
Write down of Elan Coal Property	**-**	(5,000)
Disposition of Elan Coal equity interest	**(234,620)**	
Balance ending of year – Elan Coal Property	**-**	-
	$ 2,843,661	$ 2,472,984

Palisades Property

The Company's 100% owned Palisades Property is comprised of six contiguous Alberta Crown Coal leases acquired directly from the Alberta Department of Energy between September 2010 and February 2011. Five of the leases are included within Alberta Department of Energy's Category 4 classification; the sixth lease is a combination of Category 4 and Category 2 lands. There are no work commitments associated with the Palisades Property. The only ongoing obligation is the payment of the annual lease (currently $3.50 per hectare) for a 15 year period from the commencement of the leases.

The Palisades Property totals 4,648 hectares. It is located approximately 28 kilometres northwest of the town of Hinton, Alberta.

Palisades Extension Application

The Palisades Extension Application was acquired by the Company in October 2011. It is comprised of one Alberta Crown Coal lease application totaling 7,034 hectares. This property falls entirely in Coal Category 2 of A Coal Development Policy for Alberta. For Category 2 properties, a formal Alberta Crown Coal lease will not be issued until such time as the Alberta Department of Energy reaches a decision on its Coal Policy. Application holders are, however, free to perform some limited exploration work on the properties. The Palisades Extension Application is contiguous to the northeast of the Company's Palisades Property.

5. EXPLORATION AND EVALUATION ASSETS (Cont'd)

Moberley Creek Application

The Moberley Creek Application was acquired by the Company in January 2012. It is comprised of four Alberta Crown Coal lease applications totaling 5,376 hectares. This property falls entirely in Coal Category 2 of A Coal Development Policy for Alberta. The Moberley Creek Application is located approximately 12.5 kilometres from the northern tip of the Company's Palisades Extension Application.

Altitude North Applications

The Altitude North Applications were acquired by the Company in various tranches between October 2012 and August 2017. They are comprised of fourteen Alberta Crown Coal lease applications totaling 19,445 hectares. This property falls entirely in Coal Category 2 of A Coal Development Policy for Alberta. The Altitude North Application is located approximately 30 kilometres northwest from the northern tip of the Company's Moberly Creek Application.

2017-2018 Activity

On April 8, 2015, the Company entered into the Joint Exploration Agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC") to explore Palisades metallurgical coal project in West Central Alberta, Canada. Through a joint exploration arrangement JOGMEC has agreed to acquire up to a 51% interest in the Company's Palisades Coal Project based on the three (3) farm in milestones which include field work, drilling and completion of mining study.

During the First Farm-in period (ended on March 31, 2016), JOGMEC contributed $1,500,000 in cash towards exploration on the Palisades Project. During the second Farm-In period (ended March 31, 2017), JOGMEC contributed $1,500,000 towards exploration on the Palisades Project. JOGMEC has now earned an unencumbered right, title and benefit to thirty-one point eight seven five percent (31.875%) of the Property. During the third Farm-In Period (ends March 31, 2018 or until the required contribution is received) JOGMEC shall contribute $1,800,000 towards exploration on the Palisades Project.

JOGMEC has committed to fund the entire $1,800,000 in accordance with its Third Farm-In obligation.

As of completion of the Earn-In Period, the respective actual or deemed equitable interests in the Palisades Project shall be: (i) if JOGMEC has contributed a total amount of $3,000,000 by the end of second Farm-In Period: Altitude 68.125% JOGMEC 31.875% (ii) if JOGMEC has contributed a total amount of CAN$4,800,000 by the end of third Farm-In Period: Altitude 49%, JOGMEC 51%.

5. EXPLORATION AND EVALUATION ASSETS (Cont'd)

Elan Coal Ltd.

On March 28, 2018 the Company announced sale of Elan Coal Ltd. ("Elan") to Atrum Coal Limited ("Atrum"). The total purchase price for Atrum's acquisition of 100% of the issued and outstanding capital stock of Elan was $6,675,000 allocated as $3,100,000 in cash and $3,650,000 in consideration shares of Atrum. Altitude owned a 15% undivided interest in Elan and therefore received a cash payment of $450,000 and was issued 2,953,574 fully paid shares of Atrum (ASX: ATU). The shares were issued at a price of CDN $0.19, the 20-day weighted average trading price of Atrum as at November 30, 2017. Altitude's 15% interest in Elan was therefore valued at $1,001,250.

Altitude had a net investment of $229,600 in Elan dating back to 2014. However, due to delays in completing the transaction between Elan and Atrum, Altitude wrote-off its investment in Elan in 2016 and 2017.

6. DUE TO AND FROM RELATED PARTIES

All amounts due from/to related parties are to various shareholders and are non-interest bearing, unsecured and repayable on demand.

7. DUE ON DEMAND LOAN

The Due on demand loan is payable in the amount of $30,000 to a company with a former related director. The principal was due December 15, 2014, bears an annual interest rate of 8% accrued monthly and added to the principal. The loan was convertible into the next financing at the option of the holder. Interest of $1,795 ($1,795 – 2017) is accrued in respect of the 9 month period ended April 30, 2018.

8. SHARE CAPITAL

Authorized, unlimited Class "A" Voting Common Shares

On December 30, 2016 the Company completed a private placement of 3,200,000 flow-through common shares at a price of $0.10 per flow-through share by way of a non-brokered private placement for total gross proceeds of $320,000. A flow-through share premium of $32,000 was recorded as a result of the issuance of these flow-through common shares. The Company has spent all the required qualifying exploration expenditures as at July 31, 2017 and recognized $32,000 in the statements of comprehensive loss.

In connection with the closing of the offering, the Company paid a cash finder's fee $11,250.

9. STOCK OPTIONS AND WARRANTS

(a) Stock options

The Company has a stock option plan to provide officers, directors, employees and consultants of the Company with options to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the minimum exercise price of the options is the market price of the Company's stock on the date of grant. The maximum term of the options is five years and the options generally vest over a three year period, or as determined by the Company's board of directors.

On March 2, 2012, the Company granted an aggregate of 137,262 stock options to purchase common shares to its directors and officers, exercisable at a price of $0.40 per common share for a period of five years from the date of grant and vesting over a three year period. During the year ended July 31, 2015, the Company recorded a related stock based compensation expense of $4,681 (2014 – $16,717) using the following assumptions: (stock price - $0.49; exercise price - $0.40; term 4.16 years; volatility (based on comparable companies) – 110%; risk free rate – 1.33%). These options have expired.

On July 31, 2016, the Company granted an aggregate of 2,000,000 stock options to purchase common shares to its directors and officers, exercisable at prices ranging from $0.08 to $0.12, expiring on May 30, 2021 and vesting over a three year period. The Black-Scholes option pricing model was used to determine the fair value of the issued options of $52,221. The assumptions used were as follows: (stock price - $0.09; average exercise price - $0.10; term 5.0 years; volatility (based on comparable companies) – 130%; risk free rate – 0.75%; expected dividends of nil).

During the year ended July 31, 2017, 120,000 options were exercised at an exercise price of $0.08 each. As at April 30, 2018, 1,880,000 options remain outstanding of which 1,220,000 are exercisable at that date. The average exercise price of options outstanding is $0.10 and the remaining weighted average contractual life of the options is 3.04 years.

(b) Warrants

As at April 30, 2018 and July 31, 2017, there were no warrants outstanding.

10. RELATED PARTY TRANSACTIONS

During the three month period ended April 30, 2018, $68,000 (2017 - $48,000) was paid or accrued to the Chief Executive Officer and Chief Financial Officer as compensation. During the three month period ended April 30, 2018, $325,000 in previously accrued compensation for the Chief Executive Officer was forgiven by the Executive. This amount written off liability was credited to the Deficit account.

As at April 30, 2018, $247,463 (2017 - $420,943) is payable to the Chief Executive Officer and Chief Financial Officer and is included in accounts payable and accrued liabilities.

11. COMMITMENTS AND CONTINGENCIES

Exploration and evaluation assets

Company's activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees.

The Company has not determined and is not aware that any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.

12. CAPITAL RISK MANAGEMENT

The Company considers its capital structure to consist of share capital and deficit.

The Company's objective when managing capital is to maintain adequate levels of funding to support its exploration activities and to maintain corporate and administrative functions necessary to support operational activities.

The Company manages its capital structure in a manner that provides sufficient funding for operational activities. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurances that the Company will be able to continue raising equity capital in this manner.

The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly-rated financial instruments, such as cash and other short-term guaranteed deposits, and all are held in a major Canadian financial Institution.

There has been no change in management's capital policy during the period.

The Company is not subject to any externally imposed capital requirements.

13. FINANCIAL INSTRUMENTS AND RISK FACTORS

The Company is exposed to credit risk, market risk (consisting of interest rate risk, and other price risk), and liquidity risk.

(a) Credit Risk

The financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents. The Company mitigates its exposure to credit loss by placing its cash with major financial institutions.

(b) Liquidity Risk

As at April 30, 2018, the Company had accounts payable and accrued liabilities of $955,281 (July 31, 2017 - $1,361,624) and cash and cash equivalents of $410,494 (July 31, 2017 - $58,305) to meet its current obligations.

(c) Fair Value

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

The carrying values of cash and cash equivalents, accounts payable and accrued liabilities, and due from related parties approximate fair values due to the relatively short term maturities of these instruments.

(d) Commodity Price Risk

The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of coal and base metals.

14. SUBSEQUENT EVENT

As announced on June 5, 2018, the Company has begun a strategic review of its assets and operations in an effort to enhance shareholder value. In connection with the strategic review, Altitude intends to spin-out its wholly-owned subsidiary, Altitude Resources Ltd. ("**Spinco**"), to existing shareholders of Altitude (the "**Spin-Out**"). It is currently contemplated that the Spin-Out will be completed by way of court approved plan of arrangement under the laws of the Province of Ontario. Subsequent to, or in connection with the completion of the Spin-Out, Altitude intends to pursue capital market opportunities that require a public listing.

The completion of the Spin-Out is subject to a number of conditions, including, without limitation, the receipt of all requisite shareholder (on a majority of the minority basis), director, court and regulatory authority approvals. It is anticipated that a meeting of the Company's shareholders will be called for the second half of 2018 to approve, among other matters, all required matters in connection with the Spin-Out.

In the event the Company completes the Spin-Out prior to the completion of a capital market transaction, it is possible that the Company's shares could be moved to the NEX Board of the TSXV pending completion of any such transaction.