Fox River Resources Corporation

Condensed Interim Consolidated Financial Statements

For the three months ended January 31, 2018

(unaudited)

(presented in Canadian dollars)

Fox River Resources Corporation
Condensed Interim Consolidated Statements of Financial Position
(unaudited)

As at		**Jan. 31, 2018**		**Oct. 31, 2017**
Assets				
Current assets				
Cash and cash equivalents (note 3a)	$	349,746	$	388,749
Accounts receivable		7,884		5,117
Prepaid expenses		-		9,364
		357,630		403,230
Non-current assets				
Restricted cash (note 3a)		5,000		5,000
Land (note 7)		440,301		440,301
		445,301		445,301
Total assets	**$**	**802,931**	**$**	**848,531**
Liabilities				
Accounts payable and accrued liabilities	$	8,456	$	19,625
		8,456		19,625
Shareholders' equity				
Share capital (note 4)		1,271,643		1,271,643
Share based payment reserve (note 5)		96,580		96,580
Deficit		(573,748)		(539,317)
		794,475		828,906
Total liabilities and shareholders' equity	**$**	**802,931**	**$**	**848,531**

Events after the reporting period (note 13)

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

Fox River Resources Corporation
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
(unaudited)

	Three months ended Jan. 31, 2018	Three months ended Jan. 31, 2017
Expenses		
Consulting fees (note 9)	$ 10,500	$ 10,500
Exploration & evaluation expenditures (note 8 & 9)	10,394	8,349
Administration	9,084	12,623
Shareholder information	2,985	2,590
Professional fees	1,651	873
(Loss) from operations	(34,614)	(34,935)
Interest income	183	142
Net loss and comprehensive loss for the period	**$ (34,431)**	**$ (34,793)**
Basic and fully diluted loss per share (note 6)	**$ (0.001)**	**$ (0.001)**

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

Fox River Resources Corporation
Condensed Interim Consolidated Statements of Cash Flows
(unaudited)

For the three months ended,	Jan. 31, 2018	Jan. 31, 2017
Cash flows from operating activities		
Net loss	$ (34,431)	$ (34,793)
Changes in non-cash working capital items		
Accounts receivable	(2,767)	44,711
Prepaid expenses	9,364	(8,358)
Accounts payable and accrued liabilities	(11,169)	667
	(39,003)	2,227
Net change in cash and cash equivalents	**(39,003)**	**2,227**
Cash and cash equivalents, beginning of period	388,749	555,758
Cash and cash equivalents, end of period	**$ 349,746**	**$ 557,985**

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

Fox River Resources Corporation
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(unaudited)

	Number of shares	Share capital	Share based payment reserve	Deficit	Total
Balance, October 31, 2016	**41,278,527**	**$ 1,271,643**	**$ 96,580**	**$ (329,368)**	**$ 1,038,855**
Net loss and comprehensive loss for the period	-	-	-	(34,793)	(34,793)
Balance, January 31, 2017	**41,278,527**	**$ 1,271,643**	**$ 96,580**	**$ (364,161)**	**$ 1,004,062**
Net loss and comprehensive loss for the period	-	-	-	(175,156)	(175,156)
Balance, October 31, 2017	**41,278,527**	**$ 1,271,643**	**$ 96,580**	**$ (539,317)**	**$ 828,906**
Net loss and comprehensive loss for the period	-	-	-	(34,431)	(34,431)
Balance, January 31, 2018	**41,278,527**	**$ 1,271,643**	**$ 96,580**	**$ (573,748)**	**$ 794,475**

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

1. REPORTING ENTITY

Fox River Resources Corporation ("Fox River" or the "Company") was incorporated pursuant to the Canada Business Corporations Act under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 350 Bay Street, Suite 700, Toronto, Ontario M5H 2S6. The Company has one wholly-owned subsidiary: Baltic Resources Inc. ("Baltic").

The Company's business plan includes acquiring, exploring, evaluating and developing mineral and natural resources properties such as its wholly-owned Martison Phosphate Project.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") on the basis of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Accordingly, they do not include all of the information required for full annual financial statements as required by IFRS. These condensed interim consolidated financial statements are presented in Canadian dollars and should be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2017.

These condensed interim consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business, and on a historical cost basis except for the revaluation of certain financial instruments. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The Board of Directors approved the condensed interim consolidated financial statements and authorized their issuance on March 27, 2018.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Cash and cash equivalents

Cash and cash equivalents include money market instruments which are readily convertible into cash or have maturities at the date of purchase of less than ninety days.

	January 31, 2018	October 31, 2017
Cash	$ 273,824	$ 313,010
Money market instruments	75,922	75,739
Cash and cash equivalents	**$ 349,746**	**$ 388,749**

Restricted cash consists of GIC collateral of $5,000 for a corporate credit card.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Changes in accounting policies

The Company did not adopt any new accounting policies during the three months ended January 31, 2018.

(c) Future accounting pronouncements

Standards issued but not yet effective up to the date of issuance of these financial statements are listed below. This list is of standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

IFRS 9 Financial Instruments was issued in final form in July 2014 by the IASB and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

In January 2016, the IASB issued IFRS 16 Leases, which requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019.

4. SHARE CAPITAL

The authorized share capital consists of an unlimited number of common shares with no par value and an unlimited number of non-voting special shares. As at January 31, 2018, the Company had 41,278,527 common shares issued and outstanding.

The Company did not issue any common shares during the three months ended January 31, 2018.

	Number of Shares	Consideration
Balance, October 31, 2017 and January 31, 2018	**41,278,527**	**$ 1,271,643**

5. SHARE BASED PAYMENTS

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 did not issue any share options during the three months ended January 31, 2018.

	Options	Exercise price
Balance, October 31, 2017 and January 31, 2018	**2,200,000**	**$ 0.05**

As at January 31, 2018, the following share options were outstanding and exercisable:

Expiry date	Options	Exercise price
April 1, 2021	2,200,000	$ 0.05
Options Outstanding and Exercisable	**2,200,000**	**$ 0.05**

6. LOSS PER SHARE

The following table sets forth the computation of basic and diluted loss per share:

	Three months ended Jan. 31, 2018	Three months ended Jan. 31, 2017
Net loss	$ (34,431)	$ (34,793)
Weighted-average common shares outstanding - basic and diluted	41,278,527	41,278,527
Basic and diluted loss per common share	**$ (0.001)**	**$ (0.001)**

7. LAND

The Company owned a 71.6 acre parcel of land located in the City of Brandon, Manitoba (see note 13).

8. EXPLORATION AND EVALUATION EXPENDITURES

The Company owns a 100% interest in the Martison Phosphate Project (the "Project"), which is located about 70 kilometers northeast of the town of Hearst, Ontario. The Project mining leases and claims cover a contiguous area of approximately 8,256 ha.

The Company's interest in the Project is subject to a net sales returns ("NSR") royalty of 1% for all phosphate concentrate sold, a royalty of $0.40 per tonne of phosphate concentrate produced subject to escalation based on phosphoric acid prices, and an NSR royalty of 2% for all non-phosphate-related products sold. The Company has a one-time right to acquire the 1% NSR royalty prior to commencement of commercial production for $3,000,000.

The following table sets forth the items under exploration and evaluation expenditures:

	Three months ended Jan. 31, 2018	Three months ended Jan. 31, 2017
Leases and property taxes[1]	$ 4,994	$ 2,949
Storage and rent	5,400	5,400
Exploration and evaluation expenditures	**$ 10,394**	**$ 8,349**

[1]Includes property taxes paid on Martison mining leases and land in Brandon, MB.

9. RELATED PARTY TRANSACTIONS

(a) Director and executive compensation

Director and executive compensation for the periods ending January 31, 2018 and 2017 consisted of the following:

	Three months ended Jan. 31, 2018	Three months ended Jan. 31, 2017
Cash compensation	$ 10,500	$ 10,500
Total	**$ 10,500**	**$ 10,500**

9. RELATED PARTY TRANSACTIONS (continued)

(b) Director and executive transactions

The aggregate value of transactions and outstanding balances relating to entities over which directors and executive management have control or significant influence were as follows:

		Transaction value		Balance outstanding	
	Note	3 mo. ended Jan. 31, 2018	3 mo. ended Jan. 31, 2017	Jan. 31, 2018	Jan. 31, 2017
Consulting fees	(i)	$ 10,500	$ 10,500	$ -	$ -
Exploration and evaluation expenditures	(ii)	5,400	5,400	-	-
Total		**$ 15,900**	**$ 15,900**	**$ -**	**$ -**

(i) The Company pays consulting fees of $3,500 per month to Fraser Laschinger, the Chief Financial Officer.
(ii) The Company pays rent of $1,800 per month for the storage of drill core, supplies and equipment to D&S McKinnon Holdings Limited, a corporation controlled by a relative of Gordon McKinnon, a Director of the Company.

10. COMMITMENTS AND CONTINGENCIES

(a) Mining leases

The Company has three 21-year mining leases with the Province of Ontario which grant the Company surface and mining rights to the Project. One of the mining leases commenced on August 1, 2002 and the remaining two on May 1, 2011. The aggregate annual payment for the three leases is estimated to be approximately $13,000.

11. CAPITAL MANAGEMENT

The Company's capital structure consists of shareholder's equity, which amounted to $ 794,475 on January 31, 2018. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral 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 business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. Neither the Company nor its subsidiary is subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended January 31, 2018.

12. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

The Company's credit risk is primarily attributable to accounts receivable which consist primarily of Harmonized Sales Tax receivable. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

(b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to fund its liabilities as they become due. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. As at January 31, 2018, the Company had cash and cash equivalents of $ 349,746 to settle current liabilities of $ 8,456 .

(c) Interest rate risk

The Company has cash balances and no interest-bearing debt. Interest rate risk is remote.

(d) Market price risk

The Company is indirectly exposed to price risk with respect to the price of phosphate products. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

13. EVENTS AFTER THE REPORTING PERIOD

On February 6, 2018, the Company entered into a binding agreement with an arm’s length third party to sell the 71 acres of land the Company owns in the City of Brandon, Manitoba for gross proceeds of $1,000,000 before transaction costs. The agreement is not subject to any financing conditions and closing is expected to occur in March 2018.

On March 20, 2018, the Company closed the aforementioned sale of land in the City of Brandon, Manitoba.