AJN RESOURCES INC.
INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

April 30, 2018

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April 30, 2018

AJN Resources Inc.

Statements of Financial Position

(Expressed in Canadian Dollars)

	Unaudited April 30, 2018	Audited July 31, 2017
Assets		
Current		
Cash	$ 441,222	$ 124,171
Prepaid	3,500	-
Receivables	5,710	9,969
	450,432	134,140
Non-Current		
Exploration and Evaluation Asset (Note 5)	147,189	130,000
Total Assets	$ 597,621	$ 264,140
Liabilities and Shareholder Equity		
Liabilities		
Current		
Trade Payables	$ 450	$ 18,538
Shareholder Equity		
Share Capital (Note 6)	676,300	270,000
Subscriptions Received in Advance	-	2,500
Deficit	(79,129)	(26,898)
	597,171	245,602
Total Liabilities and Shareholder Equity	$ 597,621	$ 264,140

Going concern (Note 2)

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

AJN Resources Inc.

Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Unaudited for the Nine Months Ended April 30, 2018	Unaudited for the Three Months Ended April 30, 2018	Unaudited for the period from September 1, 2016 (Date of Incorporation) to April 30, 2017	Unaudited for the Three Months Ended April 30, 2017
Expenses				
Consulting Fees	$ 16,500	$ -	$ -	$ -
Office and Miscellaneous	442	32	50	18
Filing Fees	4,999	561	-	-
Travel Expenses	6,657	1,485	-	-
Professional Fees	23,625	17,875	-	-
Net Loss and Comprehensive Loss	$ (52,223)	$ (19,953)	$ (50)	$ (18)
Loss per Share - Basic and Diluted	$ (0.004)	$ (0.001)	$ (0.000)	$ (0.000)
Weighted Average Number of Shares Outstanding - Basic and Diluted	12,565,038	13,906,500	3,000,000	3,000,000

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

AJN Resources Inc.

Interim Statements of Shareholders' Equity

(Expressed in Canadian Dollars)

	Share Capital			Subscriptions Received in Advance	Deficit	Total
	Shares	Special Warrants	Amount			
Balance September 1, 2016 (Date of Incorporation)	-	-	$ -	$ -	$ -	$ -
Shares Issued for Cash	3,000,000	-	30,000	-	-	30,000
Net Loss for the Period	-	-	-	-	(50)	(50)
Balance April 30, 2017	3,000,000	-	30,000	-	(50)	29,950
Shares Issued for Cash	8,000,000	-	240,000	-	-	240,000
Subscriptions Received in Advance	-	-	-	2,500	-	2,500
Net Loss for the Period	-	-	-	-	(26,856)	(26,856)
Balance July 31, 2017	11,000,000	-	270,000	2,500	(26,906)	245,594
Shares Issued for Cash (Note 6)	3,406,500	-	340,650	(2,500)	-	338,150
Special Warrants Issued for Cash (Note 6)	-	656,500	65,650	-	-	65,650
Net Loss for the Period	-	-	-	-	(52,223)	(52,223)
Balance April 30, 2018 (Unaudited)	14,406,500	656,500	$ 676,300	$ -	$ (79,129)	$ 597,171

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

AJN Resources Inc.
Interim Statements of Cash Flows
(Expressed in Canadian Dollars)

	Unaudited for the Nine Months Ended April 30, 2018	Unaudited for the period from September 1, 2016 (Date of Incorporation) to April 30, 2017
Operating Activities		
Net Loss For the Period	$ (52,223)	$ (50)
Changes in Non-Cash Working Capital		
Receivables	4,259	-
Deposit	(3,500)	
Trade Payables	(18,088)	-
Net Cash Flows Used in Operating Activities	(69,552)	(50)
Investing Activity		
Exploration and Evaluation Asset	(17,189)	-
Net Cash Flows Used in Investing Activity	(17,189)	-
Financing Activities		
Issuance of Common Shares	340,650	30,000
Issuance of Special Warrants	65,650	-
Subscriptions Received in Advance	(2,500)	-
Net Cash Flows Provided by Financing Activities	403,800	30,000
Increase in Cash	317,059	29,950
Cash - Beginning of Period	124,163	-
Cash - End of Period	$ 441,222	$ 29,950

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

1. CORPORATE INFORMATION

AJN Resources Inc. (the "Company") is in the business of the exploration and evaluation of mineral properties in Nevada, USA. The Company was incorporated under the Business Corporations Act of British Columbia on September 1, 2016.

The address of the Company's registered and records office and principal place of business is Suite 200, 17618 58 Avenue, Surrey, BC V3S 1L3 Canada.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These financial statements have been prepared in accordance and compliance with International financial reporting Standards ("IFRS") as issued by the International accounting Standards Board ("IASB") and interpretation of the International Financial Reporting Interpretation Committee ("IFRIC"). These financial statements comply with International Accounting Standards ("IAS") 34, "Interim Financial Reporting".

b) Basis of Measurement

The financial statements have been prepared on a historical cost basis except for financial instruments classified as financial assets or liabilities at fair value through profit or loss and available-for-sale financial assets which are presented at their fair value. These financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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 or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

c) Functional and Presentation Currency

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

d) Going Concern of Operations

The Company has not generated revenue from operations. The Company incurred a comprehensive loss of $52,223 during the nine month period ended April 30, 2018 and has a cumulative loss of $79,129 since inception. The Company intends to raise further capital through private placements.

These financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and, although it has been

2. BASIS OF PRESENTATION (CONTINUED)

d) Going Concern of Operations (Continued)

successful thus far in doing so, there is no assurance it will be able to do so in the future. These material uncertainties raise significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Foreign Currency Translation

Foreign currency transactions are translated into their functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive loss in the statement of comprehensive loss to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive loss. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

b) Exploration and Evaluation Expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss/income.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is classified as 'mines under construction'. Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

Changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of restoration projects included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

d) Impairment of Non-Financial Assets

Impairment tests on intangible assets with indefinite useful economic lives are undertaken at least annually at the financial year-end. Other non-financial assets, including exploration and evaluation assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets to which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is charged to the profit or loss, except to the extent the impairment loss reverses gains previously recognized in other comprehensive loss/income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial Instruments

Financial Assets

Financial assets are classified and subsequently measured, based on the purpose for which the asset was acquired, as presented below. All transactions related to financial instruments are recorded on a trade date basis.

Financial assets at fair value through profit or loss ("FVTPL")

FVTPL assets are initially measured at fair value without transaction costs, and subsequent gains or losses are recognized in profit or loss.

Loans and Receivables

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Held-to-Maturity Investments

Held-to-maturity investments are measured at amortized cost.

Available-For-Sale Investments

Non-derivative financial assets not included in the above categories are classified as available-for-sale. Available-for-sale investments are carried at fair value with changes in fair value recognized in accumulated other comprehensive loss/income. Where there is a significant or prolonged decline in the fair value of an available-for-sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously recognized in other comprehensive loss/income, is recognized in profit or loss. If there is no quoted market price in an active market and fair value cannot be readily determined, available-for-sale investments are carried at cost.

Purchases and sales of available-for-sale financial assets are recognized on a trade date basis. On sale or impairment, the cumulative amount recognized in other comprehensive loss/income is reclassified from accumulated other comprehensive loss/income to profit or loss.

Impairment of Financial Assets

At each reporting date, the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial Instruments (Continued)

Financial Liabilities

Financial liabilities are classified as other financial liabilities or financial liabilities at FVTPL, based on the purpose for which the liability was incurred.

Other Financial Liabilities

These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method. This ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried on the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Financial Liabilities at FVTPL

FVTPL liabilities are initially measured at fair value without transaction costs, and subsequent gains or losses are recognized in profit or loss.

f) Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

h) Loss per Share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

i) Significant Estimates and Assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. The preparation of the financial statements also requires management to exercise judgement in the process of applying the accounting policies.

On an on-going basis, management evaluates its estimates and assumptions in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include stock-based awards and payments, the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets and provisions for restoration and environmental obligations.

j) Significant Judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification / allocation of expenditures as exploration and evaluation expenditures or operating expenses.

(Expressed in Canadian dollars)

4. ACCOUNTING STANDARD ISSUED BUT NOT YET EFFECTIVE

IFRS 9 – 'Financial Instruments'

The Company has not early adopted this standard, however the Company is currently assessing what impact the application of this standard will have on the financial statements of the Company.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company's financial statements.

5. EXPLORATION AND EVALUATION ASSET

The Company entered into an Option Agreement dated April 25, 2017 (the "Option Agreement"), and as last amended on July 3, 2017, to acquire a 100% interest in certain claims comprising the Salt Wells Lithium Project located in Nevada, USA. Pursuant to the Option Agreement, the Company was obligated to pay US$255 per claim for initial filing fees ((paid $26,666) (USD$19,125)) and will pay a further US$167 per claim annually, thereafter. The Company is also obligated to complete an exploration development program with a first year work requirement of US$60,000 and a second year work requirement of US$80,000.

The Salt Wells Lithium Property is subject to a 4.5% Net Smelter Return as payable to the Vendor, 1.5% of which the Company shall have the right to buy back from the vendor within 90 days of the property going into production for US$500,000, and an additional 1.5% of which the Company shall have the right to buy back from the Vendor within 180 days of the property going into production for US$1,250,000.

Furthermore, a cash payment of US$250,000 is payable to the vendor upon the property attaining commercial production.

	As at July 31, 2017	Net Change	As at April 30, 2018
Acquisition Costs	$ 26,666	$ -	$ 26,666
Exploration Costs			
Field Expenses	4,384	-	4,384
Geological Consulting	86,291	-	86,291
Geophysical	12,659	1,016	13,675
Filing Fees	-	16,173	16,173
	103,334	17,189	120,523
Total	$ 130,000	$ 17,189	$ 147,189

(Expressed in Canadian dollars)

6. SHARE CAPITAL

Authorized

The Company is authorized to issue an unlimited number of common shares.

Issued

Upon incorporation, the Company issued 3,000,000 common shares at $0.01 per share for proceeds of $30,000. During the period from inception on September 1, 2016 to July 31, 2017, the Company issued 8,000,000 common shares at $0.03 per share for proceeds of $240,000, of which $6,000 had been recorded in receivables at July 31, 2017 and has been received during the period ending April 30, 2018.

During the period ending April 30, 2018 the Company issued 3,406,500 shares at $0.10 for total proceeds of $340,650. Furthermore, the Company issued 656,500 special warrants at $0.10 for total proceeds of $65,650. Each special warrant is exercisable into one fully paid common share without any further consideration upon the earliest of (a) the business day following the receipt of a final prospectus by the securities regulation authorities in the province of British Columbia, or (b) December 15, 2027.

Special Warrants

A summary of special warrant activity during the period ended April 31, 2018 is as follows:

	Number Outstanding		Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
Outstanding July 31, 2017	-	$	-	-
Issued	656,500	$	0.10	10 years
Outstanding April 30, 2018	656,500	$	0.10	9.67 years

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and trade payables. The carrying values of these financial instruments approximate their respective fair values due to the short-term nature of these instruments.

Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

As at April 30, 2018, the fair value of cash held by the Company was based on level 1 inputs of the fair value hierarchy.

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

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Credit risk: Credit risk is the unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. With cash on deposit with sound financial institutions, it is management's opinion that the Company is not exposed to significant credit risks arising from the financial instruments.

Liquidity risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at April 30, 2018, the Company had current liabilities totaling $450 and cash of $441,222 and is not exposed to significant liquidity risk at this time. However, since the Company is in the exploration stage, it will periodically have to raise funds to continue operations and intends to raise further financing through private placements.

Market risk: Market risk is the risk that changes in market prices such as commodity prices, foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters. The Company does not use derivative instruments to reduce its insignificant exposure to market risks.

8. CAPITAL MANAGEMENT

The Company includes shareholders' equity and any debt it may issue, in the definition of capital. The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

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 and exploration 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 and consultants to sustain future development of the business.

The Company's property is in the exploration stage and as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes to the Company's approach to capital management during the period ended April 30, 2018. The Company is not subject to any external covenants.

9. SUBSEQUENT EVENTS

Subsequent to the nine month period ended April 30, 2018 the Company listed on the Canadian Securities Exchange and began public trading of its common shares. Furthermore, the Company has granted stock options to purchase up to 1.5 million common shares in the capital of the company at an exercise price of 10 cents per share for a period of five years from the date of the grant to certain directors, officers, employees and consultants of the Company.