

MARINER RESOURCES CORP.

Interim Financial Statements

For the three and six months ended April 30, 2019

MARINER RESOURCES CORP.
Condensed Interim Statement of Financial Position

(unaudited)

As at	April 30 2019	October 31 2018
Assets		
Current		
Cash	\$ 784	\$ 34,410
Accounts receivable	-	4,550
Prepayments and deposits	15,000	-
Goods and services tax receivable	3,707	1,007
	<u>19,491</u>	<u>39,967</u>
Exploration and evaluation property (note 3)	<u>25,000</u>	<u>25,000</u>
	<u>\$ 44,491</u>	<u>64,967</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	<u>\$ 45,335</u>	<u>12,075</u>
Equity		
Share capital (note 4)	80,625	80,625
Deficit	<u>(81,469)</u>	<u>(27,733)</u>
	<u>(844)</u>	<u>52,892</u>
	<u>\$ 44,491</u>	<u>64,967</u>

Going Concern (note 1)

Approved by the Board of Directors

Director (signed by) "John Williamson"

Director (signed by) "Justin Bourassa"

The accompanying notes form an integral part of these financial statements

MARINER RESOURCES CORP.

Condensed Interim Statements of Loss and Comprehensive Loss

(unaudited)

For the	three months ended April 30 2019	six months ended April 30 2019
Expenses		
Initial listing expenses	\$ 37,624	\$ 37,624
Management fees	-	-
Office and administration	353	463
Professional fees	5,509	14,565
Regulatory and filing fees	1,058	1,101
	<u>(44,544)</u>	<u>(53,753)</u>
Other		
Interest income	<u>17</u>	<u>17</u>
Net comprehensive loss	<u>(44,527)</u>	<u>\$ (53,736)</u>
Basic and diluted loss per common share	<u>(0.01)</u>	<u>\$ (0.01)</u>
Basic and diluted weighted average number of common shares outstanding (note 5)	<u>3,750,000</u>	<u>3,750,000</u>

The accompanying notes form an integral part of these financial statements

	Share capital	Deficit	Total equity
Balance at May 28, 2018	\$ -	\$ -	\$ -
Shares issued for cash (note 4)	80,625	-	80,625
Net loss	-	(27,733)	(27,733)
	<hr/>	<hr/>	<hr/>
Balance at October 31, 2018	\$ 80,625	\$ (27,733)	\$ 52,892
Net loss	-	(53,736)	(53,736)
	<hr/>	<hr/>	<hr/>
Balance at April 30, 2019	\$ 80,625	\$ (81,469)	\$ (844)

The accompanying notes form an integral part of these financial statements

For the six months ended	April 30 2019
Cash provided by (used in):	
Operating activities	
Net comprehensive loss	\$ (53,736)
Changes in non-cash working capital:	
Prepayments and deposits	(15,000)
Accounts receivable	4,550
Goods and services tax receivable	(2,700)
Accounts payable and accrued liabilities	33,260
Cash used in operating activities	<u>(33,626)</u>
Net decrease in cash	(33,626)
Cash, beginning of period	<u>34,410</u>
Cash, end of period	<u>\$ 784</u>

During the six months ended April 30, 2019, the Company received interest totaling \$17 relating to operating activities.

The Company did not pay interest or dividends, nor did it receive any dividends, in the six months ended April 30, 2019.

The accompanying notes form an integral part of these financial statements

1. Nature of operations and going concern

Mariner Resources Corp. ("Mariner" or the "Company") was incorporated under the Business Corporations Act (British Columbia) on May 28, 2018 as "1165847 B.C. Ltd." The Company changed their name on May 29, 2018 to "Mariner Resources Corp." The Company's head office is at 250 Southridge, Suite 300, Edmonton, AB, T6H 4M9. The Company is focused on evaluating, acquiring, and exploring mineral properties with significant potential for advancement from discovery through to production, in Canada and abroad. Subsequent to the period on May 30, 2019, the common shares of the Company were listed on the Canadian Securities Exchange (the "Exchange" or "CSE") and commenced trading on June 3, 2019 under the trading symbol "RNR" (note 6).

These condensed interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations. As at April 30, 2019, the Company had a working capital deficit of \$25,844 and an accumulated deficit of \$81,469. The Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, and at the current stage of the Company's development, the ability of the Company to continue as a going concern is dependent upon its ability to acquire additional means of financing. These material uncertainties related to certain adverse conditions and events that may cast significant doubt on the validity of this assumption. The Company anticipates that its cash resources will be sufficient to cover its projected funding requirements to complete its IPO.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses, and the classifications on the statement of financial position. Such adjustments may be material.

2. Basis of presentation

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended October 31, 2018.

These financial statements were authorized for issue by the Audit Committee of the Company on June 28, 2019.

These financial statements are presented in Canadian Dollars, unless otherwise noted and have been prepared on a historical cost basis. The Canadian dollar is the functional and presentation currency of the Company.

The accounting policies applied in preparation of these condensed interim financial statements are consistent with those applied and disclosed in the Company's financial statements for the year ended October 31, 2018, unless otherwise stated.

3. Exploration and evaluation property

Silver Dollar Property

On August 14, 2018, the Company entered into an option agreement (the "Option Agreement") with Explorex Resources Inc. ("Explorex") whereby the Company was granted an option (the "Option") to acquire a 75% interest in 28 claims totaling approximately 3,344 hectares known as the Silver Dollar Property (the "Property"), located in the Revelstoke Mining District of British Columbia, subject to an existing 1.0% net smelter royalty held by Happy Creek Minerals Ltd, beginning upon commencement of commercial production on the Property. The Option Agreement was amended on January 21, 2019.

MARINER RESOURCES CORP.

Notes to the Condensed Interim Financial Statements

For the three and six months ended April 30, 2019

(unaudited)

To exercise the Option, the Company made a cash payment of \$25,000, and additionally must:

- On or before the first anniversary of the Effective Date (June 3, 2020), incur exploration expenditures on the Property of not less than \$75,000;
- On or before the second anniversary of the Effective Date (June 3, 2021), incur additional exploration expenditures on the Property of not less than \$150,000, issue and deliver 100,000 common shares of the Company; and make a payment of \$50,000 in cash or common shares of the Company at management's discretion;
- On or before the third anniversary of the Effective Date (June 3, 2022), incur additional exploration expenditures on the Property of not less than \$350,000, issue and deliver an additional 300,000 common shares of the Company; and make an additional payment of \$100,000; and
- On or before the fourth anniversary of the Effective Date (June 3, 2023), incur additional exploration expenditures on the Property of not less than \$425,000, issue and deliver an additional 500,000 common shares of the Company; and make an additional payment of \$250,000 in cash.

All of the above payments, share issuances, and property expenditures may be accelerated at the Company's discretion. The per-share value of any common share issued as payment in lieu of cash will be equal to the five-day volume weighted average price of the common shares of the Company on the principal stock exchange on which the shares are then listed, subject to a minimum price of \$0.05 per share.

In the event that the Company exercises the Option by completing all of the above requirements and acquires a 75% interest in the Property, the Company and Explorex shall enter into a single purpose joint venture within 30 days for the purpose of proceeding with the continued exploration and, if warranted, development of the Property on a joint venture basis and the Company and Explorex will negotiate an agreement on the basis of the interest of the parties in the Property and the joint venture, which will be: the Company (75%) and Explorex (25%).

Total costs incurred by the Company on the Silver Dollar Property are summarized as follows:

	Acquisition	Exploration	Total
Acquisition costs	\$ 25,000	\$ -	\$ 25,000
Balance, April 30, 2019	\$ 25,000	\$ -	\$ 25,000

4. Share capital

a) Common shares

The Company's articles authorize an unlimited number of common shares without par value and an unlimited number of preferred shares.

A summary of changes in common share capital in the period is as follows:

	Number of shares	Amount
Shares issued for cash on May 28, 2018	1,625,000	\$ 8,125
Shares issued for cash on July 15, 2018	1,750,000	35,000
Shares issued for cash on August 14, 2018	375,000	37,500
Balance at October 31, 2018 and April 30, 2019	3,750,000	\$ 80,625

Agency Agreement with PI Financial Corp.

During the period, the Company entered into an agency agreement with PI Financial Corp. (the "Agent") whereby the Agent has agreed to raise on commercially reasonable efforts \$412,500 in the initial public offering ("IPO") by the issuance of 2,750,000 common shares of the Company at a price of \$0.15 per common share.

Pursuant to the terms of the agency agreement, the Company has agreed to pay to the Agent a commission of 7% of the gross proceeds of the IPO, payable in cash, and a corporate finance fee of \$25,000 plus GST, plus the Agent's legal fees incurred pursuant to the IPO, plus disbursements and taxes, and any other reasonable expenses of the Agent. The Company has prepaid a non-refundable deposit of \$5,000 plus GST towards the corporate finance fee, which is included in prepayments and deposits on the statement of financial position.

The Company has also agreed to grant to the Agent such number of non-transferable compensation options (the "Compensation Options") which will entitle the Agent to purchase up to 7% of the common shares sold under the IPO, being up to 192,500 common shares of the Company (the "Compensation Option Shares"), at a purchase price of \$0.15 per Compensation Option Share until 24 months from the date that the common shares of the Company are first listed on the CSE for trading.

Escrowed Common Shares.

Upon closing of the IPO, 2,765,000 common shares of the Company outstanding at October 31, 2018 will be subject to an Escrow Agreement. Under the Escrow Agreement, 10% of the escrowed common shares will be released from escrow on the date the Company's common shares are listed for trading (the "Initial Release") and an additional 15% will be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

5. Financial instruments and risk management

The Company is exposed to the following financial risks:

- i) Market risk
- ii) Credit risk
- iii) Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board and the Company's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments.

The Company's financial instruments are not exposed to market risk.

Credit risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held with reputable institutions in Canada. The Company is not exposed to any material credit risk, with respect to its cash. The Company's maximum exposure to credit risk is \$784.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board. As at April 30, 2019, all of the Company's financial liabilities are due within one year.

As at April 30, 2019, the Company had a working capital deficit of \$25,844 and it does not have any monetary long-term liabilities. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future.

Determination of fair value

The statements of financial position carrying amounts for cash, and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve investor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

6. Subsequent events

Subsequent to the period on May 30, 2019, the Company completed its initial public offering of 2,750,000 common shares of the Company at a price of \$0.15 per share for aggregate gross proceeds of \$412,500. The common shares of the Company were listed on the CSE on May 30, 2019 and commenced trading on the Exchange on June 3, 2019 under the trading symbol "RNR".