UC RESOURCES LTD.

Condensed Interim Consolidated Financial Statements
For the Six Months Ended December 31, 2017
(Expressed in Canadian Dollars)
(Unaudited)

Under National Instrument 51-102, part 4, subsection 4.3(3), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financials statements of UC Resources Ltd. have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These statements have not been reviewed by the Company's external auditors.

UC RESOURCES LTD.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	DEC 31 2017	JUNE 30 2017
Assets			
Current			
Cash and cash equivalents		$ **7,895**	$ 7,050
GST recoverable		**35,722**	33,606
Prepaid expenses		**-**	-
Total current assets		**43,617**	40,656
TOTAL ASSETS		$ **43,617**	$ 40,656
Liabilities			
Current			
Accounts payable and accrued liabilities	**4**	$ **56,647**	$ 66,015
Due to related parties	**6**	**-**	300,125
Advances payable	**8**	**723,712**	377,462
Promissory note	**9**	**18,000**	-
Total current liabilities		**798,359**	743,602
Equity			
Share capital	**5**	**33,935,321**	33,935,321
Reserves		**5,769,021**	5,769,021
Deficit		**(40,459,084)**	(40,407,288)
Total Deficiency		**(754,742)**	(702,946)
TOTAL LIABILITIES AND DEFICIENCY		**$** 43,617	$ 40,656

Nature of operations and going concern (note 1)

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on February 22, 2018. They are signed on behalf of the Board of Directors by:

…………"Satvir Dhillon"……… Director
Satvir Dhillon

…………*"Stephen Ehrlich"*……… Director
Stephen Ehrlich

UC RESOURCESLTD.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Note	Three Months ended December 31		Six Months ended December 31	
		2017	**2016**	**2017**	2016
Expenses					
Management fees	10	**$ 22,500**	$ 22,500	**$ 45,000**	$ 45,000
Office and administration	10	**1,893**	443	**2,441**	992
Professional fees		**15,820**	-	**17,820**	-
Regulatory and transfer agent fees		**2,229**	-	**2,229**	237
Share-based payments	9,10	**-**	-	**-**	-
Travel		**-**		**-**	-
Loss before Other Income (Expenses)		**(42,442)**	(22,943)	**(67,490)**	(46,229)
Other Income (Expenses)					
Write off of payables		**15,694**	-	**15,694**	-
Total Other Income Expenses (net)		**15,694**	-	**15,694**	-
Net Loss and Comprehensive Loss for the Period		**(26,748)**	(22,943)	**(51,796)**	(46,229)
Net Income (loss) per common share					
Basic and diluted – continuing operations		**$ (0.01)**	$ (0.01)	**$ (0.02)**	$ (0.02)
Basic and diluted weighted average number of common shares		**2,440,364**	2,440,364	**2,440,364**	2,440,364

UC RESOURCES LTD.

Condensed Interim Consolidated Statements of Changes in Equity
Six months ended December 31, 2017 and 2016
(Expressed in Canadian Dollars)

	SHARE CAPITAL		RESERVES				
	NUMBER	AMOUNT	Equity settled employee benefits	Warrants	Total	DEFICIT	TOTAL
Balance June 30, 2016	2,440,364	33,935,321	4,075,320	1,693,701	5,769,021	(40,225,955)	(390,496)
Net loss for the period	-	-	-	-	-	(46,229)	(46,229)
Balance, December 31, 2016	2,440,364	33,935,321	4,075,320	1,693,701	5,769,021	(40,272,184)	(567,842)
Net loss for the period	-	-	-	-	-	(135,104)	(135,104)
Balance June 30, 2017	2,440,364	33,359,321	4,075,320	1,693,701	5,769,021	(40,407,288)	(702,946)
Net loss for the period	-	-	-	-	-	(51,796)	(51,796)
Balance, December 31, 2017	**2,440,364**	**$33,935,321**	**$ 4,075,320**	**$1,693,701**	**$5,769,021**	**$ (40,459,796)**	**$ (754,742)**

UC RESOURCES LTD.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Three Months Ended December 31,		Six Months Ended December 31	
	2017	**2016**	**2017**	**2016**
Operating activities				
Net loss for the year	**(42,442)**	(22,943)	**(67,490)**	(46,229)
Adjustments to reconcile loss to net cash used in operating activities:				
Writedown of payables	**15,694**	-	15,694	-
Changes in non-cash working capital				
Receivables and advances	**(991)**	(1,125)	**(2,116)**	(2,273)
Prepaid expenses	**-**	-	**-**	-
Accounts payable and accrued liabilities	**14,287**	39,750	**29,951**	43,235
Due to related party	**-**	11,375	**-**	35,000
Total Cash Flow Used in Operating Activities	**(29,146)**	27,057	**(39,655)**	26,733
Investing activities				
Proceeds on disposal of investment	**-**	-	**-**	-
Acquisition of plant and equipment				-
Total Cash Flow (Used in) Provided by Investing Activities	-	-	-	-
Financing activities				
Advances payable	**22,500**	-	**22,500**	-
Promissory note	**8,000**	-	**18,000**	-
	-	-	**-**	-
Total Cash Flow Used in Financing Activities	**30,500**	-	**40,500**	-
Decrease in Cash and cash equivalents	**1,354**	27,057	845	26,733
Cash and cash equivalents, Beginning of period	**6,541**	6,122	**7,050**	6,446
Cash and cash equivalents, End of period	**7,895**	33,179	**7,895**	33,179

1. NATURE OF OPERATIONS

UC Resources Ltd. (the “Company”) is an incorporated entity with its head office located at 2200 – 885 West Georgia Street, Vancouver BC, Canada, V6C 3E8 and its registered and records office located at Suite 2200, 885 West Georgia Street, Vancouver, BC, Canada, V6C 3E8.

The Company continues to seek opportunities in the resource sector as well as the technology, bio-technology and industrial sectors as well. Several projects have been reviewed but, to date, nothing suitable has been identified. Financing will be required for the future acquisition and development of any new projects.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. This assumes the Company will operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has incurred operation losses since inception, has a limited source of operating cash flow and there can be no assurances that sufficient funding, including adequate financing, will be available to fund its business plan and to cover general and administrative expenses necessary for the maintenance of a public company. The ability of the Company to arrange additional financing in the future depends in part, on the prevailing capital market conditions. These factors may cast significant doubt on the Company’s ability to continue as a going concern. Accordingly, the consolidated financial statements do not give effect to adjustments 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, and commitments other than in the normal course of business and at amounts different from those shown in the consolidated financial statements.

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Accounting Standards (“IAS”) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”), using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements.

These unaudited condensed interim financial statements have been prepared using accounting policies consistent with those used in the Company’s annual financial statements for the year ended June 30, 2017.

(b) Basis of preparation

These interim consolidated financial statements have been prepared on a historical cost basis. These consolidated financial statements have also been prepared using the accrual basis of accounting, except for cash flow information. In the opinion of management, all adjustments (including normal recurring accruals), considered necessary for a fair presentation have been included.

(c) Functional currency

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

2. BASIS OF PREPARATION (Continued)

(d) Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The consolidated financial statements include judgments and estimates, which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical Judgments

- Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

  In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates based on assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from management's best estimates, as additional information becomes available. The most sensitive estimates affecting the financial statements were the determination of the existence of contingent assets and liabilities, the valuation of share-based compensation and the valuation of deferred income tax assets.

Areas where estimates are significant to the consolidated financial statements were as follows:

- the estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty;
- the inputs used in accounting for share purchase option expense in the consolidated statement of

loss and comprehensive loss;
- the valuation of deferred income tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES

Reference should be made to the audited financial statements for the year ended June 30, 2017 for full disclosure of significant accounting policies under IFRS.

New Accounting Policies Not Yet Adopted

The following standards and interpretations have been issued but are not yet effective, have not been early adopted by the Company, and therefore have not been applied by the Company in preparing these consolidated financial statements:

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. In February 2014, the IASB decided that the mandatory effective date of IFRS 9 would be annual periods beginning on or after January 1, 2018. The Company plans on adopting IFRS 9 as of July 1, 2018, however has yet to assess the full impact of adoption.

IFRS 16 Leases

IFRS 16 replaces the previous leases standard, IAS 17 Leases, and interpretations. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, lessee and lessor. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. A company can choose to apply IFRS 16 before that date but only if it also applies IFRS 15 Revenue from Contracts with Customers. The Company is in the process of evaluating the impact that these standards will have on the financial statements.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2017	June 30, 2017
Trade payables	**$ 54,947**	$ 54,640
Accrued liabilities	**1,700**	11,375
Total	**$ 56,647**	$ 66,153

5. SHARE CAPITAL

The authorized share capital consists of unlimited common shares without par value.

During the period ended December 31, 2017, no common shares were issued.

6. DUE TO/FROM RELATED PARTIES AND RELATED PARTY TRANSACTIONS

All related party transactions were measured at the amount of consideration established and agreed to by the related parties. All amounts due from/due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

6. DUE TO/FROM RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel included:

	Period ended Sept. 30, **2017**	2016
Management fees	**$ 22,500**	$ 45,000
Share based payments	**-**	-
Total compensation of key management	**$ 22,500**	$ 22,500

Key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits during the period ended December 31, 2017 and 2016.

Other Transactions

The Company earned/incurred the following fees and expenses with the above-mentioned related parties. Related party transactions are in the ordinary course of business, occurring on terms that are similar to those of transactions with unrelated parties.

At period end, the Company had the following outstanding balance payable (receivable) to/(from) related parties:

	December 31, 2017	June 30, 2017
Officers and Directors	**$ -**	$ 300,125
Loan payable	**-**	-

All amounts due (from)/to officers and directors are unsecured, non-interest bearing and have no fixed terms of repayment. All other amounts due to related parties are unsecured, non-interest bearing, and due 30 days from issuance of invoice.

7. LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended December 31, 2017 was based on the net loss attributable to common shareholders of $51,796 (2016 – $46,229), and a weighted average number of common shares outstanding of 2,440,364 (2016 – 2,440,364).

Diluted loss per share did not include the effect of nil stock options and nil warrants (2016 – nil and nil respectively) because they were anti-dilutive.

8. ADVANCES PAYABLE

Advances payable are due to a non-related individual and a non-related company. As at December 31, 2017, $35,000 (2016 - $nil) was due to a non-related individual and $688,712 (2016 - $nil) was owing to the company. The advances payable are unsecure, bear no interest, and have no fixed terms of repayment.

9. PROMISSORY NOTE

Promissory note is due to a non-related individual with a balance at December 31, 2017 of $18,000 (2016 - $nil). The promissory note is unsecure, bears interest at 8% per annum, and has no fixed terms of repayment but is due within three business days of written demand by the creditor.

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue its operations, so that it can bring its exploration projects to commercial production and provide returns for shareholders and benefits for other stakeholders.

The Company relies mainly on equity issuances and long term loans to raise new capital. In the management of capital, the Company includes the components of shareholders' equity as well as cash. The capital structure of the Company currently consists of common shares, stock options and warrants. The Company prepares annual estimates of exploration expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations.

The Company's investment policy is to invest its cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated without interest or penalty. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, or sell assets to fund operations.

There were no changes to the Company's approach to capital management during the period and the Company is not subject to externally imposed capital requirements.

11. MANAGEMENT OF FINANCIAL RISK

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. Cash is designated as fair-value-through-profit-and-loss and measured at fair value. Accounts payable and accrued liabilities, due to related parties, advances payable and promissory note are designated as other financial liabilities and measured at amortized cost.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgement is required to develop certain of these estimates. The estimated fair value amounts can be materially affected by the use of different assumptions or methodologies.

Cash is recorded at fair value and the Company's other financial instruments are recorded at amortized cost, which approximate fair value due to their short term nature.

The following table sets for the Company's financial assets measured at fair value by level within the fair value hierarchy:

	LEVEL	FAIR VALUE THROUGH PROFIT AND LOSS	LOANS AND RECEIVABLES/ AMORTIZED COST	TOTAL CARRYING VALUE	FAIR VALUE/ AMORTIZED COST
Financial assets					
Cash	1	$ 7,895	$ -	$	$ 7,895
		$	$ -	$	$ 7,895
Financial liabilities					
Accounts payable and accrued liabilities	2	$ -	$ (56,647)	$ (56,647)	$ (56,647)
Due to related parties	2		-	-	-
Advances payable	2		$ (723,712)	$ (723,712)	$ (723,712)
Promissory note	2	$ -	$ (18,000)	$ (18,000)	$ (18,000)

	$ -	$ (798,359)	$ (798,359)	$ (398,359)

There have been no transfers between levels 1 and 2, or transfers in or out of level 3 for the period ended December 31, 2017.

11. MANAGEMENT OF FINANCIAL RISK (Continued)

The mining industry in general is intensely competitive and there is no assurance that a profitable market may exist for any substances discovered. Commodity prices have fluctuated significantly, particularly recently, the effect of which cannot be accurately be predicted.

The carrying value of long-lived assets with fixed or determinable lives is reviewed for impairment whenever events or changes in circumstances indicate the recoverable value may be less than the carrying amount. Recoverable value determinations are based on management's estimates of undiscounted future net cash flows expected to be recovered from specific assets or groups of assets through use or future disposition. Impairment charges are recorded in the period in which determination of impairment is made by management.

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk. The Board of Directors has overally responsibility for the establishment and oversight of the Company's risk management framework. The Board has implemented and monitors compliance with risk management policies as set out herein.

(a) Currency Risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuation.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to fulfill and obligation and causes the other party to incur a financial loss. The Company's credit risk consists primarily of cash and cash equivalents and short term investments. The credit risk is minimized by placing cash and cash equivalents and investing short term investments with major Canadian financial institutions. Management believes that the credit risk concentration with respect to its bank deposits is remote since all cash is held with financial institutions of reputable credit. The Company does not invest in asset–backed commercial papers.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has sufficient cash to meet its obligations and liquidity risk is therefore considered minimal.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the cash and cash equivalents is limited because they are generally held to maturity. The Company's current policy is to invest excess cash to investment-grade short-term deposit certificates issued by its banking institutions. Interest rate risk is not significant to the Company as it has no cash equivalents at year end. As at December 31, 2017, with other variables unchanged, a 1% change in the variable interest rates would not have had a significant impact on the loss of the Company.

11. MANAGEMENT OF FINANCIAL RISK (Continued)

(e) Environmental Risk

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation.

The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

12. SUBSEQUENT NOTE

In January 2018, subsequent to the end of the quarter, the Company completed a a non-brokered private placement for 25,950,000 units ("Units") of the Company, at a price of $0.05 per Unit, for gross process of $1,297,500 (the "Offering"). The proceeds of the Offering will be used by the Company to retire existing payables, as well as for the evaluation of potential strategic acquisitions and for general working capital purposes.