

MONSTER URANIUM CORP.

Condensed Consolidated Interim Financial Statements

For the Three and Six Month Periods Ended June 30, 2017

(Expressed in Canadian dollars)

MONSTER URANIUM CORP.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an entity's auditors.

August 17, 2017

MONSTER URANIUM CORP.Consolidated statements of financial position
(Expressed in Canadian dollars)

	June 30, 2017 \$ (unaudited)	December 31, 2016 \$ (audited)
Assets		
Current Assets		
Cash	3,208	2,438
Amounts receivable	1,261	2,641
Total current assets	4,469	5,079
Total assets	4,469	5,079
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	34,652	34,814
Due to related parties (Note 5)	204,876	181,228
Total liabilities	239,528	216,042
Shareholders' equity		
Share capital	20,249,584	20,249,584
Share-based payment reserve	402,561	402,561
Deficit	(20,873,408)	(20,849,312)
Total Monster Uranium Corp. shareholders' equity	(221,263)	(197,167)
Non-controlling interest	(13,796)	(13,796)
Total shareholder's equity	(235,059)	(210,963)
Total liabilities and shareholders' equity	4,469	5,079

Nature of operations and continuance of business (Note 1)

Approved and authorized for issue by the Board of Directors on August 17, 2017:

*Signed "Ken Ralfs"*_____
Ken Ralfs, Director*Signed "Eugene Sekora"*_____
Eugene Sekora, Director

(The accompanying notes are an integral part of these condensed consolidated interim financial statements)

MONSTER URANIUM CORP.

Consolidated statements of operations and comprehensive loss
(Expressed in Canadian dollars)
(Unaudited)

	Three month period ended June 30, 2017 \$	Three month period ended June 30, 2016 \$	Six month period ended June 30, 2017 \$	Six month period ended June 30, 2016 \$
Expenses				
Management fees (Note 5)	7,500	15,000	15,000	30,000
Office and miscellaneous	20	3,829	92	8,546
Professional fees	1,500	2,000	3,000	4,367
Transfer agent and filing fees	2,087	2,297	6,004	5,982
Total operating expenses	11,107	23,126	24,096	48,895
Loss before other income (expense)	(11,107)	(23,126)	(24,096)	(48,895)
Net loss and comprehensive loss for the period	(11,107)	(23,126)	(24,096)	(48,895)
Loss per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares outstanding	16,472,865	16,472,865	16,472,865	16,472,865

(The accompanying notes are an integral part of these condensed consolidated interim financial statements)

MONSTER URANIUM CORP.

Consolidated statements of changes in equity
(Expressed in Canadian dollars)
(Unaudited)

	Share Capital		Share-based payment reserve \$	Deficit \$	Non-controlling interest \$	Total shareholders' equity \$
	Number of shares	Amount \$				
Balance, December 31, 2015	16,472,865	20,249,584	402,561	(20,540,290)	(13,796)	98,059
Net loss for the period	–	–	–	(48,895)	–	(48,895)
Balance, June 30, 2016	16,472,865	20,249,584	402,561	(20,589,185)	(13,796)	49,164
Balance, December 31, 2016	16,472,865	20,249,584	402,561	(20,849,312)	(13,796)	(210,963)
Net loss for the period	–	–	–	(24,096))	–	(24,096)
Balance, June 30, 2017	16,472,865	20,249,584	402,561	(20,873,408)	(13,796)	(235,059)

(The accompanying notes are an integral part of these condensed consolidated interim financial statements)

MONSTER URANIUM CORP.

Consolidated statements of cash flows
(Expressed in Canadian dollars)
(Unaudited)

	Six month period ended June 30, 2017 \$	Six month period ended June 30, 2016 \$
Operating activities		
Net loss for the period	(24,096)	(48,895)
Changes in non-cash operating working capital:		
Amounts receivable	1,380	2,184
Accounts payable and accrued liabilities	(162)	(29,905)
Promissory note	—	—
Due to related parties	23,648	70,750
Net cash used in operating activities	770	(5,866)
Investing activities		
Exploration and evaluation assets	—	—
Net cash used in investing activities	—	—
Financing activities		
Proceeds from shares issued/subscriptions received	—	—
Net cash provided by financing activities	—	—
Increase (decrease) in cash and cash equivalents	770	(5,866)
Cash, beginning of period	2,438	8,394
Cash, end of period	3,208	2,528
Cash and cash equivalents consists of:		
Cash in the bank	2,238	1,558
Cashable guaranteed investment certificates	—	—
Funds held in lawyer trust accounts	970	970
Total cash and cash equivalents	3,208	2,528
Supplemental disclosures:		
Interest paid	—	—
Income taxes paid	—	—

(The accompanying notes are an integral part of these condensed consolidated interim financial statements)

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

1. Nature of Operations and Continuance of Business

Monster Uranium Corp. (the "Company") was incorporated under the laws of the province of British Columbia. The Company is in the exploration stage and is in the process of exploring and developing its mineral properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of amounts shown for these properties and related deferred exploration expenditures are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying properties, the ability of the Company to obtain necessary financing to complete the development of the properties, and upon future profitable production or proceeds from the disposition thereof. The Company's registered address is Suite 1008, 409 Granville Street, Vancouver, BC, V6C 1T2.

Effective at the opening of trading on October 30, 2015, the common shares of the Company began trading on the TSX Venture Exchange – NEX Board. The trading symbol for the Company is MU.H.

These condensed consolidated interim financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at June 30, 2017, the Company has not generated any revenues from operations, has a working capital deficit of \$235,059 and has an accumulated deficit of \$20,873,408. The Company's ability to continue as a going concern is dependent upon its ability to generate and maintain future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Significant Accounting Policies

(a) Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting of the International Financial Reporting Standards ("IFRS").

(b) Basis of Presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board on a going concern basis.

These condensed consolidated interim financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is the Company's functional currency.

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries, Otish Mountain Diamonds Inc., a wholly-owned inactive company, and South Timmins Exploration Inc., which is 75.1% owned. All inter-company transactions have been eliminated.

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(c) Use of Estimates and Judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of expenses during the period. These estimates are, by their nature, uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim 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 future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant areas requiring the use of estimates include the useful life and recoverability of property and equipment, recoverability of loans receivable, and unrecognized deferred income tax assets.

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

(d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

(e) Property and Equipment

Property and equipment is recorded at cost. The Company depreciates the cost of property and equipment over their estimated useful lives at the following annual rate using the straight-line method:

Computer equipment	50%
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Residual values and useful economic lives are reviewed at least annually, and adjusted if appropriate, at each reporting date. Subsequent expenditure relating to an item of property and equipment is capitalized when it is probable that future economic benefits from the use of the assets will be increased. All other subsequent expenditures are recognized as repair and maintenance expenses during the period in which they are incurred. Gains and losses on disposal of equipment are determined by comparing the proceeds from disposal with the carrying amount of the asset and are recognized net in the consolidated statement of operations.

(f) Reclassifications

Certain of the prior year figures have been reclassified to conform to the current year's presentation.

(g) Financial Instruments

(i) Non-derivative financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(g) Financial Instruments (continued)

(i) Non-derivative financial assets (continued)

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets at fair value through profit or loss

Financial assets are classified as fair value through profit or loss when the financial asset is held for trading or it is designated as fair value through profit or loss. A financial asset is classified as held for trading if: (i) it has been acquired principally for the purpose of selling in the near future; (ii) it is a part of an identified portfolio of financial instruments that the Company manages and has an actual pattern of short-term profit taking; or (iii) it is a derivative that is not designated and effective as a hedging instrument.

Financial assets classified as fair value through profit or loss are stated at fair value with any gain or loss recognized in the consolidated statement of operations. The net gain or loss recognized incorporates any dividend or interest earned on the financial asset. Cash is classified as fair value through profit or loss.

Held-to-maturity investments

Held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any assets classified as held-to-maturity investments.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to the consolidated statement of operations. The Company does not have any assets classified as available-for-sale.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables are comprised of amounts receivable and loans receivable.

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(g) Financial Instruments (continued)

(i) Non-derivative financial assets (continued)

Impairment of financial assets

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income or loss are reclassified to the consolidated statement of operations in the period. Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been impacted. For marketable securities classified as available-for-sale, a significant or prolonged decline in the fair value of the securities below their cost is considered to be objective evidence of impairment.

For all other financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as amounts receivable, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an amount receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the statement of operations.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the consolidated statement of operations to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. In respect of available-for-sale equity securities, impairment losses previously recognized through the consolidated statement of operations are not reversed through the consolidated statement of operations. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

(ii) Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(g) Financial Instruments (continued)

(ii) Non-derivative financial liabilities (continued)

The Company has the following non-derivative financial liabilities: accounts payable and accrued liabilities, and amounts due to related parties.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

(iii) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects.

(h) Income Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the consolidated statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(i) Flow-through Shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the deferred income tax liability associated with the renounced tax deductions is recognized through the consolidated statement of operations with a pro-rata portion of the deferred premium.

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(j) Foreign Currency Translation

The functional and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the consolidated statement of operations.

(k) Loss Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share, whereby all "in the money" stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive. As at June 30, 2017 and 2016, the Company had 4,400,000 potentially dilutive shares outstanding.

(l) Comprehensive Loss

Comprehensive loss is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in the consolidated statement of operations.

(m) Share-based Payments

The grant date fair value of share-based payment awards granted to employees is recognized as stock-based compensation expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in share-based payment reserve, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

(n) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended June 30, 2017, and have not been applied in preparing these condensed consolidated interim financial statements:

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(n) Accounting Standards Issued But Not Yet Effective (continued)

IFRS 9, *Financial Instruments* (New)

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the Company's condensed consolidated interim financial statements.

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

3. Loans Receivable

- (a) On June 11, June 20, and June 22, 2015, the Company entered into three promissory notes and advanced amounts of \$31,000, \$25,000 and \$30,000, respectively, to a non-related party for a total of \$86,000. The amounts were to be repaid within 180 days of issuance of the promissory notes or the amounts owing would accrue interest at 12% per annum. On December 29, 2015, the amounts were assigned to another non-related party at which time the Company and the assignee entered into a new promissory agreement for the balance of \$86,000. Per the extension agreement, the amount was unsecured, bore interest at a rate of 8% per annum, and was due on December 28, 2016. If unpaid by December 28, 2016, any unpaid principal and interest would bear interest at 20% per annum.

During the year ended December 31, 2016, the Company recorded a write-down of \$86,057 (2015 - \$nil), comprised of \$86,000 (2015 - \$nil) for the principal balance and \$57 (2015 - \$nil) of accrued interest, due to the uncertainty of the collectability of the amounts due.

- (b) On September 2, 2015, the Company entered into a promissory note and advanced an amount of \$133,085 (US\$100,000) to a non-related party. The note was unsecured, bore interest at a rate of 8% per annum, and was due on December 31, 2015. If unpaid by December 31, 2015, any unpaid principal and interest would bear interest at 15% per annum. On December 29, 2015, the Company entered into a promissory note extension agreement to extend the maturity date of the promissory note to December 31, 2016.

During the year ended December 31, 2016, the Company recorded a write-down of \$142,070 (2015 - \$nil), comprised of \$138,400 (2015 - \$nil) for the principal balance and \$3,670 (2015 - \$nil) of accrued interest, due to the uncertainty of collectability of the amounts due.

4. Accounts Payable and Accrued Liabilities

	June 30, 2017 \$	December 31, 2016 \$
Trade payables	28,852	28,814
Accrued professional fees	5,800	6,000
	34,652	34,814

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

5. Related Party Transactions

- (a) During the six month period ended June 30, 2017, the Company incurred management fees of \$15,000 (June 30, 2016 - \$15,000) to the Chief Financial Officer of the Company.
- (b) During the six month period ended June 30, 2017, the Company incurred salary of \$Nil (June 30, 2016 - \$15,000) to the former President of the Company.
- (c) As at June 30, 2017, the amount of \$130,275 (December 31, 2016 - \$114,525) was owed to the Chief Financial Officer of the Company, which is non-interest bearing, unsecured, and due on demand.
- (d) As at June 30, 2017, the amount of \$74,601 (December 31, 2016 - \$74,601) was owed to the former President of the Company, which is non-interest bearing, unsecured, and due on demand.

6. Share Capital

Authorized: Unlimited common shares without par value.

As at June 30, 2017 there are 16,472,865 common shares issued and outstanding.

7. Share Purchase Warrants

	Number of warrants	Weighted average exercise price \$
Balance, December 31, 2015	4,400,000	0.10*
Issued	—	—
Balance, December 31, 2016	4,400,000	0.20*
Issued	—	—
Balance, June 30, 2017	4,400,000	0.20*

As at June 30, 2017, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
4,400,000	0.20*	August 13, 2017

*Share purchase warrants were exercisable at \$0.10 per share for the first year and at \$0.20 per share beginning on August 13, 2016. Subsequent to the period ended June 30, 2017 the 4,400,000 share purchase warrants expired unexercised.

8. Stock Options

Pursuant to the Company's stock option plan dated January 31, 2008, the Company may grant stock options to directors, officers, employees and consultants. The options are granted with an exercise price equal to market price of the Company's stock on the date of the grant and vest when granted. The maximum aggregate number of common shares which may be reserved for issuance as optioned shares at any time is 10% of the outstanding common shares. Stock options can be exercisable for a maximum of five years from the effective date. As at June 30, 2017 and 2016, the Company had no outstanding stock options.

MONSTER URANIUM CORP.

Notes to the condensed consolidated interim financial statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

9. Financial Instruments and Risks

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at June 30, 2017 as follows:

	Fair Value Measurements Using			Balance, June 30, 2017 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	3,208	–	–	3,208

The fair values of other financial instruments, which include amounts receivable, loans receivable, accounts payable and accrued liabilities, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Amounts receivable consists of accrued interest from loans receivable and GST refunds which are due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

(d) 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 currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

(e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

10. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and share-based payment reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2016.