CAMEX ENERGY CORP.

Condensed Interim Consolidated Financial Statements
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

As at and for the nine months ended December 31, 2017 and 2016

CONDENSED INTERIM FINANCIAL STATEMENTS
As at and for the nine months ended December 31, 2017

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The Management of the Company is responsible for the preparation of the accompanying unaudited condensed interim financial statements. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") for the preparation of condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

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

CAMEX ENERGY CORP.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Prepared by Management)
(Expressed in Canadian dollars)

		December 31, 2017		March 31, 2017
Assets				
Current Assets				
Cash	**$**	**832**	$	1,012
Receivables		**293**		182
Total Assets	**$**	**1,125**	$	1,194
Liabilities and Shareholders' Deficiency				
Current Liabilities				
Accounts payable and accrued liabilities (Note 5)	**$**	**557,996**	$	454,731
Note payable (Note 6)		**15,632**		-
		573,628		454,731
Shareholders' Deficiency				
Share capital (Note 7)		**5,656,408**		5,656,408
Share-based payment reserve (Note 7)		**322,089**		322,089
Deficit		**(6,551,000)**		(6,432,034)
		(572,503)		(453,537)
Total Liabilities and Shareholders' Deficiency	**$**	**1,125**	$	1,194

Nature and Continuance of Operations (Note 1)
Proposed Transaction (Note 10)

Approved on Behalf of the Board on February 13, 2018:

"Scott Ackerman"
Scott Ackerman – Director

"Rick Cox"
Rick Cox– Director

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

CAMEX ENERGY CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	For the three months ended December 31,		For the nine months ended December 31,	
	2017	2016	**2017**	2016
Expenses				
General and administrative	**$ 46**	$ 978	**$ 755**	$ 1,042
Interest	**390**	220	**632**	2,842
Management fees (Note 5)	**30,000**	30,000	**90,000**	90,000
Professional fees	**8,303**	8,131	**17,298**	13,131
Transfer agent and filing fees	**3,684**	6,449	**10,281**	12,679
Loss and comprehensive loss for the period	**$ (42,423)**	$ (45,778)	**$ (118,966)**	$ (119,694)
Weighted average number of shares outstanding	**19,818,535**	19,058,545	**19,818,535**	18,516,352
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)	**$ (0.01)**	$ (0.01)

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

CAMEX ENERGY CORP.

Condensed Interim Consolidated Statements of Shareholders' Deficiency
(Unaudited - Prepared by Management)
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Share-based Payments Reserve	Deficit	Total Shareholders' Deficiency
Balance, March 31, 2016	**18,246,737**	**$ 5,577,818**	**$ 322,089**	**$ (6,276,169)**	**$ (376,262)**
Shares issued in settlement of debt	1,571,798	78,590	-	-	78,590
Loss and comprehensive loss for the period	-	-	-	(119,694)	(119,694)
Balance, December 31, 2016	**19,818,535**	**$ 5,656,408**	**$ 322,089**	**$ (6,395,863)**	**$ (417,366)**
Balance, March 31, 2017	**19,818,535**	**$ 5,656,408**	**$ 322,089**	**$ (6,432,034)**	**$ (453,537)**
Loss and comprehensive loss for the period	-	-	-	(118,966)	(118,966)
Balance, December 31, 2017	**19,818,535**	**$ 5,656,408**	**$ 322,089**	**$ (6,551,000)**	**$ (572,503)**

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

CAMEX ENERGY CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Prepared by Management)
(Expressed in Canadian dollars)

	For the nine months ended December 31,			
		2017		2016
Cash provided by / (used for):				
Operating Activities:				
Loss and comprehensive loss for the period	**$**	**(118,966)**	$	(119,694)
Item not affecting cash:				
Accrued interest		**632**		-
Net change in non-cash working capital items:				
Receivables		**(111)**		(617)
Accounts payable and accrued liabilities		**103,265**		147,512
Notes payable		**-**		(27,127)
		(15,180)		(74)
Financing Activities:				
Proceeds from notes payable		**15,000**		-
		15,000		-
Change in cash for the period		**(180)**		74
Cash, beginning of the period		**1,012**		259
Cash, end of the period	**$**	**832**	$	333
Supplemental information:				
Interest paid	**$**	**-**	$	-
Income taxes	**$**	**-**	$	-
Non-cash transactions:				
Shares issued for debt settlement	$	-	$	78,590

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Camex Energy Corp. (the "Company") was incorporated on December 1, 1967 under the laws of the Province of British Columbia. The Company is extra provincially registered in the Provinces of Alberta and Ontario. The Company's head office is located at Suite 1600 – 609 Granville Street, Vancouver, BC, V7Y 1C3 and its registered and records office is located at 2200 – 885 West Georgia Street, Vancouver, BC, V6C 3E8. The Company is listed for trading on the NEX Board of the TSX Venture Exchange ("the "Exchange") under the symbol of "CXE.H".

The Company is classified as an oil and gas issuer with the Exchange; however, the Company has not held any oil or gas assets since 2008. The Company is in the process of searching for and evaluating new business opportunities. See Proposed Transaction (note 10).

The Company currently has no assets of merit and no sources of revenue; consequently, the Company remains dependent upon the financial support of its shareholders and debt holders. The Company has a history of losses and has a shareholders' deficiency. The future success of the Company is dependent on the identification and successful negotiation/acquisition of a sustainable/viable business operation together with the ability to finance the necessary funding, at agreeable terms, to support a business acquisition. There can be no assurances that the Company will be able to secure a new business or will be able to obtain the financing required to support a new business acquisition. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than a process of forced liquidation. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION

The condensed interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. The condensed interim consolidated financial statements do not include all the information required for the full annual financial statements and should be read in conjunction with the most recent audited March 31, 2017 annual financial statements of the Company which are available on www.sedar.com.

The financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company, and include the accounts of its wholly-owned subsidiary, 2590945 Ontario Inc., which was incorporated on August 4, 2017. The Company's financial statements were authorized for issue by the Board of Directors on February 13, 2018.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements of the Company have been prepared on the historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting, except for the statements of cash flows.

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Company's most recent audited annual financial statements as at and for the year ended March 31, 2017 which are available at www.sedar.com, and reflect all the adjustments necessary for fair presentation in accordance with IAS 34. There has been no material impact on these financial statements from changes in accounting standards during the period.

4. FUTURE ACCOUNTING PRONOUNCEMENTS

A number of new IFRS standards, amendments to standards and interpretations are not yet effective for the nine months ended December 31, 2017, and have not been applied in preparing these financial statements. None of these are expected to have an effect on the Company's financial statements other than additional disclosure. The Company has not early adopted these revised standards.

Effective for annual periods beginning on or after January 1, 2018

IFRS 9: Financial instruments: Classification and Measurement: applied to classification and measurement of financial assets and liabilities as defined in IAS 39. It is affective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

IFRS 15: Revenue from Contracts with Customers: a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, Construction Contracts, IAS 18, Revenue, IFRIC 13, Customer Loyalty Programs, IFRIC 15, Agreement for the Construction of Real Estate, IFRIC 18, Transfers of Assets from Customers, and SIC-31, Revenue – Barter Transactions involving Advertising Services.

Effective for annual periods beginning on or after January 1, 2019

IFRS 16: Leases: a new standard that sets out the principle for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of lease as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

(Expressed in Canadian dollars)

5. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Unless otherwise specified, the period end balances of payables referred to below are non-interest bearing, unsecured, payable on demand, and have arisen from the provision of services and expense reimbursements or advances as described below.

Summary of expenses incurred:

		For the three months ended December 31,		For the nine months ended December 31,	
Nature	**Relationship**	**2017**	2016	**2017**	2016
Management fees	A company with a director and officers in common	**$ 30,000**	$ 30,000	**$ 90,000**	$ 90,000

Amounts due to related parties included in accounts payable and accrued liabilities:

Nature	**Relationship**	**December 31, 2017**	March 31, 2017
Accrued management fees payable	A company with a director and officers in common	**$ 480,000**	$ 390,000
Payments of corporate expenses made on behalf of Company	A company with a director and officers in common	**1,516**	-
Payments of corporate expenses made on behalf of Company	A director of the Company	**8,728**	1,003
TOTAL		**$ 490,244**	$ 391,003

During the year ended March 31, 2017, the Company issued 166,740 common shares to settle debt of $8,337 with an officer of the Company.

(Expressed in Canadian dollars)

6. NOTE PAYABLE

	Principle	Accrued Interest	Total Debt
March 31, 2017	$ -	$ -	$ -
Advances	**15,000**	-	15,000
Accrued interest	-	632	632
December 31, 2017	**$ 15,000**	**$ 632**	**$ 15,632**

The note payable bears interest at 10% per annum, is unsecured and due on demand. During the nine months ended December 31, 2017, the Company incurred $632 of interest expense associated with this note payable. See Proposed Transaction (note 10).

7. SHARE CAPITAL AND RESERVES

(a) Authorized

Unlimited number of common shares without par value
Unlimited number of preferred shares without par value

(b) Share issuances

On November 14, 2016, the Company issued 1,571,798 common shares in settlement of $78,590 in outstanding notes and accounts payable of which $8,337 was with a related party (note 5).

(c) Stock Options

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2017	**1,350,000**	**$ 0.18**

A summary of the Company's stock options is as follows:

	Number of Stock Options	Exercise Price	Expiry date	Remaining contractual life (years)
Outstanding and exercisable	1,350,000	$ 0.18	February 6, 2018	0.10

No stock options were granted, vested, exercised or expired during the nine months ended December 31, 2017. All outstanding options expired unexercised on February 6, 2018.

8. CAPITAL MANAGEMENT

The Company defines capital as consisting of shareholders' deficiency (comprised of issued share capital and deficit). The Company's objectives when managing capital are to:

i. Support the identification and acquisition of a new business opportunity and thereby the creation of shareholder value; and
ii. Ensure that the Company is able to meet its financial obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's managements to sustain the future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. As at December 31, 2017, the Company does not have any long-term debt outstanding and is not subject to any externally imposed capital requirements or debt covenants. There was no change to the Company's approach to capital management during the nine months ended December 31, 2017.

9. FINANCIAL INSTRUMENTS

a) Fair Value

The fair value of receivables, accounts payable and accrued liabilities, and notes payable approximates their carrying value due to their short-term maturity. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

b) Financial Risk Factors

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

I. Liquidity risk

Liquidity risk is the risk that the Company will not able to meet its financial obligations as they fall due.

At December 31, 2017, the Company has a cash balance of $832 to settle current liabilities of $573,628, and the Company currently has no assets of merit and no sources of revenue. Consequently, the Company remains subject to significant liquidity risk and is therefore dependent on the continued financial support of its debt holders and shareholders.

9. FINANCIAL INSTRUMENTS (continued)

b) Financial Risk Factors (continued)

I. Liquidity risk (continued)

In addition, the Company has no sources of income and expects to incur further losses in the development of its business. The Company has insufficient funds from which to fund the acquisition of an identified business opportunity and as such will require additional financing to accomplish the Company's long term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing.

II. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars.

III. Interest rate risk

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitively to interest rate is currently insignificant.

IV. Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company places its cash with institutions of high credit worthiness. The Company's cash is currently held in Canadian based banking institutions, authorized under the Bank Act (Canada) to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. Management has assessed there to be a low level of credit risk associated with its cash balances.

At December 31, 2017, the Company's receivable balance consists of amounts due from a government agency. Therefore, the Company believes that there is minimal exposure to credit risk.

10. PROPOSED TRANSACTION

On October 12, 2017 the Company and Desert Lion Energy Corp. ("Desert Lion") entered into a definitive amalgamation agreement (the "Agreement") pursuant to which Camex will acquire of all of the issued and outstanding common shares of Desert Lion ("Desert Lion Shares") in exchange for securities of Camex (the "Transaction"). The Transaction represents a Reverse-Take-Over under the policies of the Exchange.

Desert Lion is a private company incorporated in Ontario whose only significant asset is ownership of its 80% owned Namibian subsidiary, Desert Lion Energy (Pty) Ltd., which holds a 100% interest in the Desert Lion Energy Lithium Project consisting of a past producing lithium mine as well as the surrounding 301km^2 prospecting area located in Namibia near Karibib in the Erongo region (the "Project").

The Transaction is structured as a three-cornered amalgamation, pursuant to which 2590945 Ontario Inc. ("Camex Subco"), a wholly-owned subsidiary of Camex, and Desert Lion will amalgamate (the "Amalgamation") to form a newly amalgamated company ("Amalco"), and upon the Amalgamation, former shareholders of Desert Lion ("Desert Lion Shareholders") will receive one New Camex Share (as defined below) for each one Desert Lion Share held and Amalco will become a wholly-owned subsidiary of Camex.

As part of the Transaction, Camex proposes to consolidate its common shares on the basis of one post-consolidation Camex common share (each a, "New Camex Share") for each 12.0258 existing Camex common shares (the "Consolidation"). Further, Camex will continue from the Province of British Columbia to the Province of Ontario, and will change its name to Desert Lion Energy Inc.

Pursuant to the Amalgamation, each convertible security of Desert Lion other than stock options will remain outstanding and will be convertible into or exercisable for, as applicable, the equivalent number of New Camex Shares on the same terms. Further, each Desert Lion option (a "Desert Lion Option") will be exchanged for a Camex option on the same terms and conditions as the prior Desert Lion Option other than such option will now be exercisable to receive one New Camex Share.

In addition, an aggregate of 549,450 New Camex Shares will be issued to the vendors of the Project following completion of the Transaction, the principal amount of the Company's note payable (note 6) will be settled for 8,241 New Camex Shares, and the Company has agreed to issue 65,935 New Camex Shares to settle all unpaid management fees owed to a company with a director and officers in common with the Company.

The Transaction is subject to a number of conditions, including receipt of shareholder and regulatory approval, including approval of the Exchange.