CLIFFMONT RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
DECEMBER 31, 2017

(Expressed in Canadian Dollars)

Notice of No Auditor Review of Condensed Consolidated Interim Financial Statements

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these 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 for the three months ended December 31, 2017 have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed consolidated interim financial statements.

CLIFFMONT RESOURCES LTD.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	December 31, 2017	September 30, 2017
Assets		
Current		
Cash	$ 20,582	$ 20,642
Taxes recoverable (Note 4)	3,486	3,486
	$ 24,068	$ 24,128
Liabilities		
Current		
Accounts payable and accrued liabilities (Notes 5,9)	$ 559,105	$ 559,105
Short-term loans (Note 5)	142,954	139,065
Convertible loan (Note 9)	200,643	196,950
	902,702	895,120
Shareholders' Deficiency		
Share Capital (Note 6)	32,043,689	32,043,689
Subscriptions received (Note 6)	37,500	37,500
Reserves (Note 7)	1,392,034	1,392,034
Equity component of convertible loan (Note 9)	12,174	12,174
Deficit	(34,364,031)	(34,356,389)
	(878,634)	(870,992)
	$ 24,068	$ 24,128

Nature of Operations and Going Concern (Note 1)

Approved and authorized for issuance by the Board on March 21, 2018.

"Jeff Tindale" , Director

"Nick Demare" , Director

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

CLIFFMONT RESOURCES LTD.
Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

	Three Months Ended December 31	
	2017	**2016**
	$	**$**
General and Administration Expenses		
Interest on short-term loans (Note 5)	2,615	2,702
Interest on convertible loan (Note 9)	3,692	3,692
Office, website and administration	58	2,468
	(6,365)	(8,862)
Foreign exchange	(1,277)	-
Gain on sale of subsidiaries and abandonment of branch	-	1,156,745
Net (Loss) Income and Comprehensive (Loss) Income	(7,642)	1,147,883
Basic and Diluted (Loss) Earnings Per Common Share	0.00	0.03
Weighted Average Number of Common Shares Outstanding	39,540,787	39,540,787

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

CLIFFMONT RESOURCES LTD.

Consolidated Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian dollars)

Three Months Ended December 31, 2016

	Share Capital		Reserves				
	# of Shares	Amount	Share-based Payments	Equity Component of Convertible Loan	Subscriptions Received	Deficit	Total Shareholders' Deficiency
Balance, October 1, 2016	39,540,787	$ 32,043,689	$ 1,392,034	$ 12,174	-	$ (35,512,161)	$ (2,064,264)
Net income for the period	-	-	-	-	-	1,147,883	1,147,883
Balance, December 31, 2016	39,540,787	$ 32,043,689	$ 1,392,034	$ 12,174	-	$ (34,364,278)	$ (916,381)

Three Months Ended December 31, 2017

	Share Capital		Reserves				
	# of Shares	Amount	Share-based Payments	Equity Component of Convertible Loan	Subscriptions Received	Deficit	Total Shareholders' Deficiency
Balance, October 1, 2017	39,540,787	$ 32,043,689	$ 1,392,034	$ 12,174	37,500	$ (34,356,389)	$ (870,992)
Net loss for the period	-	-	-	-	-	(7,642)	(7,642)
Balance, December 31, 2017	39,540,787	$ 32,043,689	$ 1,392,034	$ 12,174	37,500	$ (34,364,031)	$ (878,634)

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

CLIFFMONT RESOURCES LTD.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Three Months Ended December 31	
	2017 **$**	**2016** **$**
Cash Flows from Operating Activities		
Net income (loss) for the period	(7,642)	1,147,883
Adjustments for items not involving cash:		
Accrued interest	6,307	6,394
Foreign exchange	1,275	-
Changes in non-cash working capital items		
Decrease in accounts payable and accrued liabilities	-	(235,821)
Decrease in property payables on sale of subsidiaries	-	(920,000)
Change in Cash During the Period	(60)	(1,544)
Cash, Beginning of Period	20,642	2,360
Cash, End of Period	20,582	816
Cash Paid During the Period for Interest	-	-
Cash Paid During the Period for Income Taxes	-	-

SUPPLEMENTAL CASH FLOW INFORMATION (Note 8)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Cliffmont Resources Ltd. (the "Company") is a junior resource company listed on the TSX Venture Exchange ("TSXV"), having a symbol CMO.V, as a Tier 2 mining issuer. In July 2015, trading of the Company's shares on the TSXV was suspended due to the current financial position of the Company. The head office and registered office of the Company is located at Suite 1305-1090 West Georgia Street, Vancouver, British Columbia V6E 3V7.

As at December 31, 2017, the Company had a working capital deficiency of $878,634 (December 31, 2016 – $916,381) and a deficit of $34,364,031 (December 31, 2016 - $34,364,278). These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

The Company expects to generate the necessary financial resources through the issuance of debt or equity. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future. Accordingly, these financial statements do not give effect to adjustments, if any, which 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 in other than the normal course of business and at amounts which may differ from those shown in the consolidated financial statements.

2. BASIS OF PRESENTATION

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended September 30, 2017, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended September 30, 2017. Intercompany balances and transactions are eliminated on consolidation. The condensed consolidated interim financial statements of the Company for the three months ended December 31, 2017 were reviewed by the Audit Committee and approved and authorized by the Board of Directors on March 21, 2018.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

In November 2016, the Company sold CMO Colombia S.A.S and Tarana Resources S.A. and abandoned its Colombian branch, CMO Panama Inc. Sucursal Colombia and its Panamanian subsidiary CMO Panama Inc. The Company's financial statements were consolidated up to the date of disposal in November 2016 and are no longer consolidated as at December 31, 2017.

2. BASIS OF PRESENTATION (cont'd)

The financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars, unless specifically indicated otherwise, which is the Company's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES

Accounting Standards and Interpretations Issued but Not yet Applied

As at the date of these financial statements, the following standards have not been applied in these financial statements:

On June 20, 2016, the IASB issued amendments to IFRS 2 clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for: the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments apply for annual periods beginning on or after January 1, 2018. As a practical simplification, the amendments can be applied prospectively, retrospectively, or early application is permitted if information is available without the use of hindsight.

The Company intends to adopt the amendments to IFRS 2 in its consolidated financial statements for the annual period beginning on January 1, 2018. The extent of the impact of adoption of the standard has not yet been determined.

The final version of IFRS 9, *Financial Instruments,* was issued by the IASB in July 2014 and will replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 introduces a model for classification and measurement, a single, forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle-based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however, is available for early adoption. In addition, the elements of IFRS 9 related to presentation of gains from changes in an entity's own credit risk can be early applied in isolation without otherwise changing the accounting for financial instruments. The Company is in the process of assessing the impact of IFRS 9 on its financial statements.

The IASB issued IFRS 15, *Revenue Recognition*, in June 2014. The objective of IFRS 15 is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It also contains new disclosure requirements.

(Expressed in Canadian dollars, unless otherwise stated)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is in the process of assessing the impact of IFRS 15 on its financial statements.

The IASB issued IFRS 16, *Leases*, in January 2016, which replaces the current guidance in IAS 17. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted, but only in conjunction with IFRS 15. The Company is in the process of assessing the impact of IFRS 16 on its financial statements.

4. TAXES RECOVERABLE

As at December 31, 2017, the Company had $3,486 (2016 - $3,411) in Goods and Services Tax (GST) recoverable from the federal government of Canada.

5. ACCOUNTS PAYABLE AND SHORT-TERM LOANS

	December 31, 2017	**December 31, 2016**
Current:	**$**	**$**
Trade payables	559,105	598,962
Short-term loans	142,954	135,652
	702,059	734,614

Short-term loans consist of two separate non-revolving credit facilities in the amount of $43,943 (2016 - $43,943) and US$50,000 (2016 – US$50,000). Both credit facilities are secured by general security agreements and earn interest at Bank of Montreal prime +2%. During the three months ended December 31, 2017 the Company accrued $2,615 (2016 - $2,702) for interest expense relating to the above credit facilities. The credit facilities were due July 2015 and March 2015, respectively, and since bears interest at Bank of Montreal prime +7%. The credit facilities are to be repaid from the first equity financing in excess of $500,000.

6. SHARE CAPITAL

Authorized: Unlimited common shares without par value
Unlimited preferred shares

During the three months ended December 31, 2017 and 2016, the Company did not complete any financings.

As at December 31, 2017 and 2016, there were no common shares held in escrow.

(Expressed in Canadian dollars, unless otherwise stated)

7. RESERVES

Stock options

The Company has a stock option plan (the "Stock Option Plan") under which it may grant options to directors, officers and technical consultants for up to 10% of the issued and outstanding common shares to directors, officers, employees and consultants. Under the plan, the exercise price of an option may not be less than the closing market price during the trading day immediately preceding the date of the grant of the option, less any applicable discount allowed by the TSXV. The options can be granted for a maximum term of five years and vest at the discretion of the board of directors.

During the three months ended December 31, 2017 and 2016, the Company did not grant any stock options.

Stock option activities are as follows:

	Three months ended December 31, 2017		Three months ended December 31, 2016	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance – beginning of year	-	$ -	30,000*	$ 0.72
Expired	-	-	-	-
Balance – end of year	-	$ -	30,000*	$ 0.72

* Subsequent to the three months ended December 31, 2016 these options expired unexercised.

8. SUPPLEMENTAL CASH FLOW INFORMATION

During the three months ended December 31, 2017 and 2016 there were no non-cash activities conducted by the Company.

9. RELATED PARTY TRANSACTIONS

During the three months ended December 31, 2017 and 2016, the Company did not pay or accrue any fees to officers or directors of the Company.

As at December 31, 2017, $390,222 (2016 - $390,222) is payable to current and former directors and officers of the Company or private corporations owned by the individuals and is included in accounts payable and accrued liabilities.

During the year ended September 30, 2014, the President and Chief Executive Officer loaned the Company $140,000 which is secured by a general security agreement and earns interest at Bank of Montreal prime +2%. During the year ended September 30, 2015 the President and Chief Executive Officer loaned the Company an additional $11,012. The Loan and any accrued interest is convertible, at the option of the lender, into shares of the Company at $0.05 per share. During the three months ended December 31, 2017 the Company accrued $3,692 (2016 - $3,692) for interest expense relating to the Loan. The Loan is due one year from the date that the first draw was made and if unpaid will bear interest at Bank of Montreal prime +7%.

(Expressed in Canadian dollars, unless otherwise stated)

9. RELATED PARTY TRANSACTIONS (cont'd)

The Loan is a compound instrument and the proceeds are required to be bifurcated to record the fair value of the separate debt and equity components. The fair value of the debt was determined using a discounted cash flow model using an estimated market rate for equivalent debt of 15%.

The initial fair value of the debt was calculated to be $127,826 with the residual portion of $12,174 allocated to equity.

	December 31	
	2017	**2016**
	$	**$**
Principal amount	151,012	151,012
Equity component of convertible loan	(12,174)	(12,174)
Accretion	12,174	12,174
Accrued interest	49,631	34,982
	200,643	185,994

10. SEGMENTED INFORMATION

As at December 31, 2017 the Company operates in one reporting segment being the acquisition of exploration and evaluation assets in Canada.

11. CAPITAL MANAGEMENT

The Company's objective when managing capital, defined as components of shareholders' deficiency, is to safeguard the entity's ability to continue as a going concern, so that it can continue to acquire and explore mineral interests. The Company funds all administration and exploration programs from the issue of shares, generally through private placements.

The Company prepares a budget for seasonal exploration programs and may initiate equity offerings to ensure sufficient funds for each season's programs. If the Company is unsuccessful in raising sufficient capital, exploration programs may be extended, delayed or cancelled. In order to conserve cash, the Company may issue shares to pay for properties or other obligations, or compensate directors, employees and contractors through stock options.

The Company is not subject to any externally imposed capital requirements.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Credit Risk

Credit risk is the risk of potential loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Cash is held in a large Canadian financial institution. Receivables consist primarily of Goods and Services Tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to cash and receivables is low. The Company currently has limited credit risk from operations.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due. The Company prepares expenditure budgets which are regularly monitored and updated as considered necessary. To facilitate future exploration programs and ongoing corporate, general and administrative overhead, the Company raises funds through private equity placements, public offerings and option agreements with third parties. As at December 31, 2017, the Company had cash of $20,582 (2016 - $816) to settle current liabilities of $902,702 (2016 - $920,608).

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. There is limited interest rate risk due to the short-term nature of the Company's financial instruments.

Foreign Currency Risk

The Company is exposed to significant foreign currency fluctuations related to cash and short-term loan balances that are denominated in United States Dollars. As such, the Company's results of operations are subject to currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Company. A 10% fluctuation of the Canadian dollar against the U.S. dollar would result in the Company's net income being approximately $8,000 higher (lower).