

Silver Range Resources Ltd.
Consolidated Interim Financial Statements
For the six months ended
June 30, 2017
Unaudited – Prepared by Management

Silver Range Resources Ltd.
#1016 – 510 West Hastings Street
Vancouver, British Columbia
V6B 1L8

August 17, 2017

To the Shareholders of
Silver Range Resources Ltd.

The attached consolidated interim financial statements have been prepared by the management of Silver Range Resources Ltd. and have not been reviewed by the auditor of the Company.

Yours truly,

Michael Power
Chief Executive Officer

Silver Range Resources Ltd.**Consolidated Interim Statements of Financial Position****Unaudited – Prepared by Management**

	Note	June 30, 2017 \$	December 31, 2016 \$
Assets			
Current assets			
Cash and cash equivalents	3	1,684,484	732,128
Receivables and prepayments	4	28,618	36,664
		1,713,102	768,792
Non-current assets			
Marketable securities	5	98,535	98,535
Prepaid exploration expenditures		21,167	24,667
Mineral property interests	7	4,152,136	3,737,462
		4,271,838	3,860,664
Total assets		5,984,940	4,629,456
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		163,871	62,802
Accounts payable to related parties	10	98,352	68,457
Total liabilities		262,223	131,259
Shareholders' equity			
Share capital	8	35,628,619	34,108,519
Contributed surplus	8	338,711	296,634
Deficit		(30,244,613)	(29,906,956)
Total shareholders' equity		5,722,717	4,498,197
Total liabilities and shareholders' equity		5,984,940	4,629,456
Nature of operations and going concern			
	1		
Event after the reporting period	14		

Approved on behalf of the Board of Directors on August 17, 2017:

"Bruce J. Kenway"

Director

"Barry M. Heck"

Director

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

Silver Range Resources Ltd.**Consolidated Interim Statements of Changes in Shareholders' Equity****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

	Number of shares #	Share capital \$	Contributed surplus \$	Deficit \$	Total shareholders' equity \$
January 1, 2016	47,401,707	32,058,519	1,319,271	(30,492,146)	2,885,644
Re-allocated for options cancelled	-	-	(58,879)	58,879	-
Loss and comprehensive loss for the period	-	-	-	(114,593)	(114,593)
June 30, 2016	47,401,707	32,058,519	1,260,392	(30,547,860)	2,771,051
January 1, 2017	57,401,707	34,108,519	296,634	(29,906,956)	4,498,197
Share-based payments	-	-	42,077	-	42,077
Private placement shares issued	8,687,500	1,550,000	-	-	1,550,000
Share issue costs	-	(29,900)	-	-	(29,900)
Loss and comprehensive loss for the period	-	-	-	(337,657)	(337,657)
June 30, 2017	66,089,207	35,628,619	338,711	(30,244,613)	5,722,717

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

Silver Range Resources Ltd.

Consolidated Interim Statements of Loss and Comprehensive Loss

Unaudited – Prepared by Management

For the three and six months ended June 30,

		Three months ended		Six months ended	
		June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	Note	\$	\$	\$	\$
Expenses					
Accounting, audit and legal	10	17,941	16,325	42,307	34,150
Consulting fees	10	31,275	20,850	62,550	20,850
General and administrative expenses		7,726	4,500	9,493	5,144
Insurance		6,768	5,289	13,462	10,579
Investor relations and shareholder information		52,544	272	62,472	1,304
Management, administrative and corporate development fees	10	22,794	16,980	56,104	29,259
Office rent	10	7,500	7,500	15,000	15,000
Property examination costs	10	23,312	170	23,599	1,125
Property impairments	7	-	-	8,801	-
Share-based payments	8	20,001	-	42,077	-
Transfer agent and filing fees		2,833	2,906	6,013	5,163
Loss from operating expenses		(192,694)	(74,792)	(341,878)	(122,574)
Interest income		2,426	3,614	4,221	7,981
Loss and comprehensive loss for the period		(190,268)	(71,178)	(337,657)	(114,593)
Loss per share					
Weighted average number of common shares outstanding					
- Basic #	9	65,605,691	47,401,707	62,614,069	47,401,707
- Diluted #	9	65,605,691	47,401,707	62,614,069	47,401,707
Basic loss per share \$	9	(0.00)	(0.00)	(0.01)	(0.00)
Diluted loss per share \$	9	(0.00)	(0.00)	(0.01)	(0.00)

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

Silver Range Resources Ltd.**Consolidated Interim Statements of Cash Flows****Unaudited – Prepared by Management**

For the six months ended June 30,		2017	2016
	Note	\$	\$
Operating activities			
Loss and comprehensive loss for the period		(337,657)	(114,593)
Adjustments for:			
Share-based payments		42,077	-
Mineral property impairments		8,801	-
Interest income		(4,221)	(7,981)
Net change in non-cash working capital items	12	(35,976)	(10,583)
		(326,976)	(133,157)
Financing activities			
Issue of common shares for cash		1,550,000	-
Share issue costs		(29,900)	-
		1,520,100	-
Investing activities			
Interest received		4,221	7,981
Panarc exploration grant proceeds		53,870	-
Mineral property options proceeds		50,000	-
Mineral property acquisition costs		(130,298)	(43,125)
Deferred exploration and evaluation expenditures		(218,561)	(54,925)
		(240,768)	(90,069)
Increase (decrease) in cash and cash equivalents		952,356	(223,226)
Cash and cash equivalents, beginning of period		732,128	1,777,141
Cash and cash equivalents, end of period		1,684,484	1,553,915

Supplemental cash flow information

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

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

1. Nature of operations and going concern

Silver Range Resources Ltd. (the “Company” or “Silver Range”) was incorporated on May 18, 2010 under the laws of the Province of British Columbia, Canada as a wholly owned subsidiary of Strategic Metals Ltd. (“Strategic”). It is registered extra-territorially to conduct operations in the Yukon Territory, Northwest Territories and Nunavut. The Company's head office is located at 1016 - 510 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1L8. Its records office is located at 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3. The Company's common shares trade on the TSX Venture Exchange (“TSX-V”).

On July 8, 2016, the Company completed a transaction to acquire 100% interest in various mineral properties located in Nunavut and the Northwest Territories, Canada and Nevada, USA, from Panarc Resources Ltd. (“Panarc”), see note 7(d). With these acquisitions the Company changed its exploration focus to that of project generator.

The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition or option of the mineral property interests.

These consolidated financial statements (“financial statements”) are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have revenues and historically has recurring operating losses. As at June 30, 2017, the Company had working capital of \$1,450,879 (December 31, 2016 - \$673,533), and shareholders' equity of \$5,722,717 (December 31, 2016 - \$4,498,197). Management has assessed that this working capital is sufficient for the Company to continue as a going concern beyond one year. If the going concern assumption were not appropriate for these financial statements it would be necessary to restate the Company's assets and liabilities on a liquidation basis.

2. Significant accounting policies**(a) Basis of presentation**

These financial statements have been prepared in conformity with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company's annual audited consolidated financial statements for the year ended December 31, 2016, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). It is suggested that the financial statements be read in conjunction with the annual audited financial statements.

These financial statements have been prepared on an historical cost basis, except for financial instruments which are classified as fair value through profit or loss (“FVTPL”). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies used are those the Company expects to adopt in its consolidated financial statements for the year ended December 31, 2017, and have been applied consistently to all periods presented by the Company and its subsidiary.

All amounts on the financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiary.

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

2. Significant accounting policies (continued)**(b) Standards issued but not yet effective**

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2018. Many of these updates are not applicable or consequential to the Company and have been excluded from the discussion below.

Tentatively effective for annual periods beginning on or after January 1, 2018

- New standard IFRS 9 *Financial Instruments*

IFRS 9 adds new requirements for impairment of financial assets and makes changes to the classification and measurement of financial instruments. When complete, IFRS 9 will replace IAS 39 *Financial Instruments: Recognition and Measurement*

The Company has initially assessed that there will be no material reporting changes as a result of adopting the new standard, however, there may be enhanced disclosure requirements.

3. Cash and cash equivalents

Cash and cash equivalents consists of the following:

	June 30, 2017	December 31, 2016
	\$	\$
Bank balance	1,204,613	3,573
Saving accelerator account and cashable investment certificates	479,871	728,555
	1,684,484	732,128

4. Receivables and prepayments

Receivables and prepayments consists of the following:

	June 30, 2017	December 31, 2016
	\$	\$
Sales tax recoverable	23,545	16,154
Prepaid expenses	5,073	20,510
	28,618	36,664

5. Marketable securities

The marketable securities are comprised of shares of Rover Metals Corp. ("Rover"), which is a private company that does not trade on any stock exchange. The shares were received under an agreement to option the Company's Uptown Gold mineral property interest (see note 7(d)). Under the agreement the Company received 1,970,694 shares of Rover at an issue price of \$0.05 each for a total of \$98,535. The \$0.05 issue price is supported by the price of shares recently issued by Rover and since there is no indication that Rover's assets are impaired, the \$0.05 issue price is considered to be the fair value price on acquisition and on June 30, 2017, with no unrealized gain or loss during the period.

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

6. Subsidiary information

As part of the purchase agreement with Panarc, as described in note 7(d), the Company acquired a 100% interest in the shares of Manta Minerals Corporation ("Manta"), a company incorporated in the State of Nevada, USA. A nominal amount of \$1 was allocated to the share purchase.

Panarc incorporated Manta to hold title to its mineral property interests in Nevada, as it is a requirement in the USA that title to USA mineral interests be held by US corporations. Since incorporation Manta has had no transactions other than to hold title to the Nevada mineral claims. All costs to acquire or explore the claims were incurred by Panarc prior to the sale to Silver Range, and by Silver Range after the sale. Other than to hold title to the Nevada minerals claims, Manta has no assets or liabilities, and has had no transactions since being acquired by Silver Range.

7. Mineral property interests

The Company's mineral property interests include a 100% interest in various mineral properties located in the Yukon Territory, Northwest Territories, and Nunavut Canada and in Nevada, USA. Properties which are in close proximity and could be developed as a single economic unit are grouped into projects.

Changes in the project carrying amounts for the six months ended June 30, 2016 are summarized as follows:

	Beginning Balance	Acquisitions/ Staking/ Assessments	Exploration and Evaluation	Ending Balance
	\$	\$	\$	\$
Yukon Projects				
Silver Range	14	11,433	91,916	103,363
Mel	854,767	12,420	2,989	870,176
Barb	33,329	2,381	293	36,003
Michelle	186,780	16,891	20,097	223,768
Total	1,074,890	43,125	115,295	1,233,310

Exploration and evaluation expenditures on the projects consisted of the following:

	Silver Range	Mel	Barb	Michelle	Total
Six months ended June 30, 2016	\$	\$	\$	\$	\$
Assays	1,060	-	-	-	1,060
Drill demobilization	16,500	-	-	-	16,500
Field	7,275	-	-	185	7,460
Helicopter and fixed wing	34,499	-	-	-	34,499
Labour	11,747	2,989	293	19,912	34,941
Survey and consulting	18,500	-	-	-	18,500
Travel and accommodation	2,335	-	-	-	2,335
Total	91,916	2,989	293	20,097	115,295

Silver Range Resources Ltd.

Notes to the Consolidated Interim Financial Statements

Unaudited – Prepared by Management

For the six months ended June 30, 2017 and June 30, 2016

7. Mineral property interests (continued)

Changes in the project carrying amounts for the six months ended June 30, 2017 are summarized as follows:

	Beginning Balance \$	Acquisitions/ Staking/ Assessments \$	Exploration and Evaluation \$	Exploration Grant from Panarc \$	Impairments \$	Option Proceeds \$	Ending Balance \$
Yukon Projects							
Silver Range	124,650	7,825	21,793	-	-	-	154,268
Mel	871,334	-	5,571	-	-	(20,000)	856,905
Barb	36,003	-	-	-	-	-	36,003
Michelle	225,259	-	82,926	-	-	-	308,185
Total	1,257,246	7,825	110,290	-	-	(20,000)	1,355,361
Northwest Territories Projects							
Hare	31,282	-	-	-	-	-	31,282
Itchen	37,314	-	-	-	-	-	37,314
Bugow	6,808	-	-	-	-	-	6,808
Sparta	10,122	-	-	-	-	-	10,122
Uptown Gold	568,128	-	10,000	(53,870)	-	(30,000)	494,258
Total	653,654	-	10,000	(53,870)	-	(30,000)	579,784
Nunavut Projects							
Hard Cash	529,941	3,575	4,789	-	-	-	538,305
Nigel	35,811	-	-	-	-	-	35,811
Uist	36,217	4,270	72,861	-	-	-	113,348
Yandle	-	17,656	5,225	-	-	-	22,881
Noomut	-	8,312	-	-	-	-	8,312
Quartzite	40,413	-	-	-	-	-	40,413
Happy Thought	11,220	-	-	-	-	-	11,220
Grumpy	9,698	-	-	-	-	-	9,698
Bling	164,604	-	370	-	-	-	164,974
Goldbugs	710,178	9,760	-	-	-	-	719,938
Esmer Lake	139,849	13,573	-	-	-	-	153,422
Quannitug	-	18,330	-	-	-	-	18,330
Hiqiniq	-	5,871	267	-	-	-	6,138
Ujaraq	-	6,329	267	-	-	-	6,596
Total	1,677,931	87,676	83,779	-	-	-	1,849,386
Nevada Projects							
Bellehelen	10,449	-	-	-	-	-	10,449
Hunter	11,195	-	4,951	-	-	-	16,146
Road Gold	15,213	-	22,933	-	-	-	38,146
Big Gossan	8,715	-	-	-	(8,715)	-	-
Cold Springs	13,902	-	2,070	-	-	-	15,972
Gilded Age	86	-	-	-	(86)	-	-
Gold Chief	8,768	3,546	24,536	-	-	-	36,850
Krug	8,779	-	-	-	-	-	8,779
Legal Tender	12,486	-	3,685	-	-	-	16,171
Rand	9,859	-	3,500	-	-	-	13,359
Skylight	13,435	1,453	22,326	-	-	-	37,214
Stinson	11,815	7,488	15,279	-	-	-	34,582
Strongbox	8,779	4,904	48,133	-	-	-	61,816
Lucky Boy	6,173	-	571	-	-	-	6,744
Enigma	8,977	11,149	44,994	-	-	-	65,120
Hannipah	-	6,257	-	-	-	-	6,257
Total	148,631	34,797	192,978	-	(8,801)	-	367,605
Total projects	3,737,462	130,298	397,047	(53,870)	(8,801)	(50,000)	4,152,136

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

7. Mineral property interests (continued)

Exploration and evaluation expenditures on the projects consisted of the following:

	Yukon	Northwest Territories	Nunavut	Nevada	Total
Six months ended June 30, 2017	\$	\$	\$	\$	\$
Assays	2,945	160	3,783	19,380	26,268
Field	9,729	300	575	3,644	14,248
Helicopter and fixed wing	9,870	-	41,797	-	51,667
Labour	61,514	185	1,193	12,401	75,293
Survey and consulting	18,500	7,000	34,800	140,837	201,137
Travel and accommodation	7,732	2,355	1,631	16,716	28,434
Total	110,290	10,000	83,779	192,978	397,047

The cumulative acquisition, exploration and evaluation costs incurred on the projects for all years and the current carrying values are as follows:

	Cumulative costs	Impairments	Carrying Value
As at June 30, 2017	\$	\$	\$
Yukon	28,605,443	(27,250,082)	1,355,361
Northwest Territories	579,784	-	579,784
Nunavut	1,849,386	-	1,849,386
Nevada	376,406	(8,801)	367,605
Total	31,411,019	(27,258,883)	4,152,136

(a) Silver Range project

The Silver Range and Mint group of claims were acquired in January 2011, by the issue of Silver Range common shares and warrants having a value of \$2,954,026. The claims are located in the Whitehorse Mining District, Yukon Territory. The projects were considered impaired in 2015 and written-down to a \$14 carrying value. The Mint project was sold in 2015 (see note 7(c)).

The Silver Range project also includes the JRV claims which were purchased in 2011 for cash and shares totalling \$309,000. The JVR claims are subject to a 2% net smelter return royalty ("NSR") on any commercial production of precious metals and a 1% NSR on commercial production of other metals. One-half of the NSR on the precious metals can be purchased by the Company for \$1,500,000.

The Silver Range project also includes the BP4 claim which was acquired in 2015 for \$1. The BP4 claim is subject to a prior 2% NSR to a third party.

On August 31, 2016, the Company signed a Letter of Intent to option out its Silver Range project to a private British Columbia company for future shares and a retained 2% and 1% NSR. The transaction is still pending.

(b) Mel and Barb projects

The Mel and Barb projects were purchased in 2014 for \$220,000. The claims are located in the Watson Lake Mining District, Yukon Territory. The Mel project is subject to a prior 1% NSR on any commercial production from the property and there is an additional 1% NSR due to the vendor of the properties on both the Mel and Barb projects, which may be purchased at any time for \$1,000,000.

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

7. Mineral property interests (continued)**(b) Mel and Barb projects (continued)**

On March 14, 2017, the Company entered into an Agreement with Benz Mining Corp. ("Benz") for the sale of a 100% interest in the Company's Mel property located in the Yukon. Under the Agreement, Benz will acquire the property for consideration of \$2,700,000 in cash or shares, payable over a five-year period as follows:

To earn a 100% interest the following payments in cash or shares are required:

- \$20,000 on acceptance by the TSX-V; (received)
- \$80,000 on or before July 12, 2017; (subsequently received)
- \$150,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$75,000 calculated using the applicable volume weighted average price ("VWAP"), on or before March 14, 2018;
- \$300,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$150,000 calculated using the VWAP, on or before March 14, 2019;
- \$600,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$450,000 calculated using the VWAP, on or before March 14, 2020;
- \$1,200,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$1,200,000 calculated using the VWAP, on or before March 14, 2021;
- \$350,000 cash, or a combination of cash and shares with a maximum aggregate value of shares not exceeding \$350,000 calculated using the VWAP, on or before the earlier of March 14, 2022 or the commencement of commercial production.

(c) Michelle project

The Michelle property was acquired in 2015 in exchange for cash and the Company's Mint property. The Michelle property is located in the Dawson and Mayo Mining Districts, Yukon Territory.

(d) Northwest Territories, Nunavut, and Nevada Properties

On July 8, 2016, the Company completed the purchase of various mineral properties located in the Northwest Territories, Nunavut and Nevada from Panarc (see note 1). On closing, Panarc was issued 10,000,000 common shares of the Company at a price of \$0.205 per share for total consideration of \$2,050,000. Panarc did not retain any royalty or other interest in any of the acquired properties. The purchase price was allocated to the various properties based on the hectares of each property.

Prior to the sale of the properties, Panarc applied for a Yukon mining exploration grant on the Uptown Gold property expenditures. A grant of \$53,870 was approved and received by Panarc in the current period and paid to the Company and recorded as a reduction of the Uptown Gold deferred exploration expenditures.

By Agreement dated September 9, 2016 the Company granted Rover the right to earn up to a 100% interest in the Company's Uptown Gold property. For a 75% interest Rover must issue Silver Range 7.5% of its outstanding common shares, make cash payments of \$300,000 and incur exploration expenditures of \$1,600,000 on or before September 9, 2019. Rover has issued the Company 1,970,694 common shares at a value of \$0.05 each for total consideration of \$98,535 as detailed in note 5.

To complete earning a 75% interest the following payments and expenditures are required:

- Cash payments of \$300,000:
 - \$30,000 on or before March 9, 2017; (received)
 - \$60,000 on or before September 9, 2017, which has been amended to delay the payment until pending assay results from the 2017 Rover exploration program have been received;
 - \$90,000 on or before September 9, 2018; and
 - \$120,000 on or before September 9, 2019.

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

7. Mineral property interests (continued)**(d) Northwest Territories, Nunavut, and Nevada Properties (continued)**

- Incurring exploration expenditures of \$1,600,000:
 - \$350,000 on or before September 9, 2017;
 - \$500,000 on or before September 9, 2018; and
 - \$750,000 on or before September 9, 2019.

Should Rover attain its 75% interest and not proceed to acquire the remaining interest, a joint venture would be formed to further explore the properties, unless otherwise agreed.

For an additional 25% interest, Rover is required to issue Silver Range an additional 4.5% of its outstanding share capital on or before December 31, 2019.

Should Rover attain either a 75% or a 100% interest in the property the Company would retain a 2% NSR from any commercial production, which would require annual advance royalty payments of \$50,000 beginning in 2021. One-half of the NSR may be purchased by Rover for \$1,000,000. The properties are subject to an area of mutual interest extending three kilometres from the borders of the properties.

8. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. All issued shares are fully paid.

**Transactions for the issue of share capital
during the six months ended June 30, 2017:**

- (a) On February 17, 2017, the Company issued 4,687,500 units at a price of \$0.16 per unit for a total consideration of \$750,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.25 until February 17, 2019. No finder's fees were paid in respect of the placement. Legal and filing fees amounted to \$8,700 and have been recorded as a share issue cost and deducted from share capital. The Company initially allocated \$562,500 of the proceeds to share capital, and using the residual value method, \$187,500 was allocated to warrants and recorded as contributed surplus. Upon further review it has been determined that there should not have been a residual value and all of the unit proceeds of \$750,000 have been allocated to share capital.
- (b) On April 11, 2017, the Company issued 4,000,000 units at a price of \$0.20 per unit for a total consideration of \$800,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.30 until April 11, 2019. Finder's fees of \$9,000 were paid in respect of the placement and legal and filing fees amounted to \$12,200, for total share issue costs of \$21,200, which have been deducted from share capital.

**Transactions for the issue of share capital
during the six months ended June 30, 2016:**

There were no transactions for the issue of share capital during the six months ended June 30, 2016.

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

8. Share capital (continued)**Stock options**

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of common shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the number of issued shares of the Company at the time of grant. Options granted under the Plan may have a maximum term of ten years. A participant who is not a consultant conducting investor relations activities, who is granted an option that is exercisable at or above the market price at the date of grant, can have their options vest immediately, unless otherwise determined by the Board of Directors. A participant who is a consultant conducting investor relations activities, who is granted options under the Plan, will become vested with the right to exercise one-quarter of the options upon conclusion of every three months subsequent to the grant date. All options are to be settled by physical delivery of common shares.

A summary of the status of the Company's stock options as at June 30, 2017 and December 31, 2016 and changes during the period/year then ended is as follows:

	Six months ended June 30, 2017		Year ended December 31, 2016	
	Options #	Weighted average exercise price \$	Options #	Weighted average exercise price \$
Options outstanding, beginning of period/year	3,580,000	0.22	4,330,000	0.39
Granted	2,730,000	0.24	850,000	0.17
Cancelled	-	-	(1,600,000)	0.64
Options outstanding, end of period/year	6,310,000	0.23	3,580,000	0.22

As at June 30, 2017, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Exercise price \$	Expiry date
1,395,000	1,395,000	0.30	December 3, 2017
80,000	80,000	0.30	December 21, 2017
60,000	60,000	0.30	April 19, 2018
30,000	30,000	0.30	August 2, 2018
25,000	25,000	0.30	October 30, 2018
1,140,000	1,140,000	0.15	July 21, 2019
450,000	450,000	0.13	April 28, 2021
400,000	300,000	0.21	July 11, 2021
150,000	37,500	0.15	January 5, 2022
2,580,000	-	0.25	June 19, 2022
6,310,000	3,517,500		

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

8. Share capital (continued)**Stock options (continued)**

The following table summarizes information about the stock options outstanding at June 30, 2017:

Exercise prices \$	Options #	Weighted average remaining life years	Weighted average exercise price \$
0.13 - 0.21	2,140,000	2.97	0.16
0.25 - 0.30	4,170,000	3.26	0.27
	6,310,000	3.16	0.23

During the six months ended June 30, 2017, 2,730,000 stock options were granted to Officers, Directors, related company employees and consultants. The Company recorded the fair value of the options granted using the Black-Scholes option pricing model. Share-based payment costs were calculated using the following weighted average assumptions: expected life of options - five years, stock price volatility – 101.73%, no dividend yield, and a risk-free interest rate yield – 1.16%. The fair value is particularly impacted by the Company's stock price volatility, determined using data from the previous five years. Using the above assumptions, the weighted average fair value of options granted during the six months ended June 30, 2017 was approximately \$0.20 each, for a total of \$547,467.

During the six months ended June 30, 2016, 450,000 stock options were granted to the Company's new President and CEO. The Company recorded the fair value of the options granted using the Black-Scholes option pricing model. Share-based payment costs were calculated using the following weighted average assumptions: expected life of options - five years, stock price volatility – 91.10%, no dividend yield, and a risk-free interest rate yield - .85%. The fair value is particularly impacted by the Company's stock price volatility, determined using data from the previous five years. Using the above assumptions the fair value of options granted during the six months ended June 30, 2016 was approximately \$0.09 each for a total of \$40,839.

The total share-based payment expense for the six months ended June 30, 2017 was \$42,077 (2016 - \$nil), which is presented as an operating expense, and includes only options that vested during the periods.

No stock options were exercised or cancelled during the six months ended June 30, 2017. During the six months ended June 30, 2016, 320,000 related company officer options were surrendered and cancelled. The original fair value of the cancelled options was \$58,879 and on vesting was charged to share-based payment expense and credited to contributed surplus. As a result of the cancellations the amounts have been reversed from contributed surplus and deducted from deficit.

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to the units sold in completed private placements.

The number of warrants issued and outstanding as at June 30, 2017 and December 31, 2016 are as follows:

	Three months ended March 31, 2017		Year ended December 31, 2016	
	Warrants #	Weighted average exercise price \$	Warrants #	Weighted average exercise price \$
Warrants outstanding, beginning of period/year	-	-	-	-
Issued	8,687,500	0.27	-	-
Warrants outstanding, end of period/year	8,687,500	0.27	-	-

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For the six months ended June 30, 2017 and June 30, 2016

8. Share capital (continued)**Contributed Surplus**

Contributed surplus includes the accumulated fair value of stock options recognized as share-based payments and the fair value of warrants issued on private placements. Contributed surplus is increased by the fair value of these items on vesting and is reduced by corresponding amounts when the options or warrants expire, or are exercised or cancelled. Contributed surplus is comprised of the following:

	Options \$
January 1, 2016	1,319,271
Options cancelled	(58,879)
June 30, 2016	1,260,392
January 1, 2017	296,634
Options vesting	42,077
June 30, 2017	338,711

9. Loss per share

The calculation of basic and diluted loss per share for the six months ended June 30, 2017 was based on the loss of \$337,657 (2016 - \$114,593) and a weighted average number of common shares outstanding of 62,614,069 (2016 – 47,401,707).

All stock options and warrants were excluded from the diluted weighted average number of common shares calculation, as their effect would have been anti-dilutive.

10. Related party payables and transactions

A number of key management personnel and Directors hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. There were no loans to management personnel or Directors, or entities over which they have control or significant influence during the six months ended June 30, 2017 or June 30, 2016.

Key management personnel and Directors receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company, other than noted below, and there are no employment contracts with them that cannot be terminated without penalty on thirty days' advance notice. Key management personnel and Directors participate in the Company's stock option plan.

During the six months ended June 30, 2017, 1,955,000 stock options (2016 – 450,000) were granted to key management personnel and Directors having a fair value on issue of \$402,087 (2016 - \$40,839). The options granted are exercisable at \$0.25 each until June 19, 2022 and vest over a one year period ending June 19, 2018.

The Company transacted with the following related parties:

- (a) Douglas Eaton is a Director. He controls Archer, Cathro & Associates (1981) Limited ("Archer Cathro"), which is a geological consulting firm. Archer Cathro provides the Company with geological consulting services, including mineral property location, acquisition, exploration and evaluation, management, and office rent and administration.
- (b) Glenn Yeadon is a former Director and the Company's Secretary. He controls Glenn R. Yeadon Personal Law Corporation ("Yeadon Law Corp."), which provides the Company with legal services.
- (c) Larry Donaldson is the Company's CFO. He is a partner of Donaldson Grassi, Chartered Professional Accountants, a firm in which he has significant influence. Donaldson Grassi provides the Company with accounting and tax services.
- (d) Ian Talbot is the Company's COO. He provides the Company with management services.

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

10. Related party payables and transactions (continued)

- (e) Michael Power is the Company's President and CEO. He controls Paladin Geoscience Corp. ("Paladin Corp."), which effective May 1, 2016, is providing the Company with consulting services. He also has a financial interest in Panarc, which was party to the mineral property transaction with the Company as detailed in notes 1 and 7(d).

The aggregate value of transactions and outstanding balances with key management personnel and Directors and entities over which they have control or significant influence were as follows:

	Transactions for the six months ended June 30, 2017 \$	Transactions for the six months ended June 30, 2016 \$	Balances outstanding June 30, 2017 \$	Balances outstanding December 31, 2016 \$
Archer, Cathro				
- geological services	90,317	45,886	72,051	19,680
- rent and administration	50,868	24,565	3,603	16,634
	141,185	70,451	75,654	36,314
Yeadon Law Corp.	30,263	17,783	13,017	5,624
Donaldson Grassi	21,884	12,500	9,681	10,000
Ian Talbot	21,000	21,000	-	2,986
Paladin Corp.	62,550	20,850	-	13,533
	276,882	142,584	98,352	68,457

All related party balances are unsecured and are due within thirty days without interest.

The transactions with the key management personnel and Directors are included in operating expenses as follows:

- (a) Accounting, audit and legal
- Includes the legal services of the Company's Secretary, Glenn Yeadon, charged to the Company by Yeadon Law Corp.
 - Includes the accounting services of Company's CFO, Larry Donaldson, charged to the Company by Donaldson Grassi.
- (b) Consulting fees
- Includes the consulting fees paid to the Company's president and CEO, Mike Power, charged to the Company by Paladin Corp.
- (c) Management, administration and corporate development fees
- Includes the services of Company's COO, Ian Talbot.
 - Includes the administrative services of Company's Vice President of Communications, Richard Drechsler.
 - Includes charges by Archer Cathro for administrative and investor relations personnel.
- (d) Rent
- Charged by Archer Cathro
- (e) Property examination costs
- Includes charges by Archer Cathro for exploration personnel.

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For the six months ended June 30, 2017 and June 30, 2016

11. Income taxes

Income tax recovery for the six months ended June 30, 2017 and June 30, 2016 varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Loss for the period before income taxes	(337,657)	(114,593)
Statutory Canadian corporate tax rate	26.0%	26.00%
Anticipated income tax recovery	87,791	29,794
Change in tax resulting from:		
Tax benefits on losses not recognized	(76,851)	(29,794)
Unrecognized items for tax purposes	(10,940)	-
Net deferred income tax recovery	-	-

As at June 30, 2017 the Company has unclaimed resource and other deductions in the amount of \$20,460,079 (December 31, 2016 - \$20,031,824), which may be deducted against future taxable income. These costs are \$16,307,943 in excess of the carrying value of the mineral property interests because of the large impairment charge in 2015. The tax benefit of \$4,240,065 on the difference has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the deductions.

As at June 30, 2017 the Company has unused non-capital losses of approximately \$2,767,000, of which \$219,000 will expire in 2031, \$576,000 in 2032, \$551,000 in 2033, \$372,000 in 2034, \$303,000 in 2035 and \$746,000 thereafter. The tax benefit of \$719,485 on the losses has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the losses.

As at June 30, 2017 there are share issue costs totaling \$26,910 (December 31, 2016 – nil), which have not been claimed for income tax purposes. The tax benefit of \$6,997 on the cost has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the deductions.

As at June 30, 2017 the Company has unused investment tax credits of approximately \$1,320,000 (December 31, 2016 - \$1,320,000), of which \$1,137,000 will expire in 2031, \$87,000 in 2032 and \$96,000 in 2033. The tax benefit of \$976,876 on the credits has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the credits.

Income tax attributes are subject to review, and potential adjustments, by tax authorities.

12. Supplemental cash flow information

Changes in non-cash operating working capital during the six months ended June 30, 2017 and June 30, 2016 were comprised of the following:

	June 30, 2017	June 30, 2016
	\$	\$
Sales tax receivable	(7,392)	(5,819)
Prepaid expenses	15,437	(4,578)
Accounts payable and accrued liabilities	(21,545)	(26,000)
Accounts payable to related parties	(22,476)	25,814
Net change	(35,976)	(10,583)

The Company incurred non-cash investing activities during the six months ended June 30, 2017 and June 30, 2016, which were comprised of the following:

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

12. Supplemental cash flow information (continued)

	June 30, 2017 \$	June 30, 2016 \$
Non-cash investing activities:		
Deferred exploration and evaluation expenditures included in accounts payable and related party payables	228,324	46,538
	228,324	46,538

During the six months ended June 30, 2017 and June 30, 2016, no amounts were paid for interest or income tax expenses.

13. Financial risk management**Capital management**

The Company is a junior resource exploration company and considers items included in shareholders' equity as capital. The Company has no debt and does not expect to enter into debt financing. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at June 30, 2017 is comprised of shareholders' equity of \$5,722,717 (December 31, 2016 - \$4,498,197).

The Company currently has no source of revenues. In order to fund future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to borrow or raise additional financing from equity markets.

Financial instruments - fair value

The Company's financial instruments consist of cash and cash equivalents, marketable securities, accounts payable and accrued liabilities, and accounts payable to related parties.

The carrying value of accounts payable and accrued liabilities and accounts payable to related parties approximated their fair value because of the short-term nature of these instruments.

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Silver Range Resources Ltd.**Notes to the Consolidated Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2017 and June 30, 2016

13. Financial risk management (continued)**Financial instrument – fair value (continued)**

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
June 30, 2017				
Cash and cash equivalents	1,684,484	-	-	1,684,484
Marketable securities	-	-	98,535	98,535
	1,684,484	-	98,535	1,783,019
December 31, 2016				
Cash and cash equivalents	732,128	-	-	732,128
Marketable securities	-	-	98,535	98,535
	732,128	-	98,535	830,663

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk and market and currency risk.

(a) Credit risk

The Company is exposed to credit risk by holding cash and cash equivalents. This risk is minimized by holding the funds in Canadian banks and credit unions or with Canadian governments. The Company has minimal accounts receivable exposure, and its various refundable credits are due from Canadian governments.

(b) Interest rate risk

The Company is exposed to interest rate risk because of fluctuating interest rates. Fluctuations in market rates do not have a significant impact on the Company's operations due to the short term to maturity and no penalty cashable feature of its cash equivalents. For period ended June 30, 2017 every 1% fluctuation in interest rates up or down would have impacted loss for the period, up or down, by approximately \$7,500 (2016 - \$8,000) before income taxes.

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

(d) Market risk

The Company is exposed to market risk because of the fluctuating values of its marketable securities. The Company has no control over these fluctuations and does not hedge its investments. Based on June 30, 2017 portfolio value every 10% increase or decrease in the share price of the securities would have impacted loss for the period, up or down, by approximately \$10,000 before income taxes.

(e) Currency risk

The Company is exposed to currency risk because it holds funds in USA dollars, which can fluctuate from period to period. The Company has no control over these fluctuations and does not hedge its foreign currency holdings. Based on the June 30, 2017 USA dollar holdings every 5% increase or decrease in the value of the USA dollar would have impacted loss for the period, up or down, by approximately \$1,400 before income taxes.

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14. Event after the reporting period

On August 1, 2017, the Company signed a Letter of Intent (“LOI”) with GGL Resources Corp. (“GGL”) to option certain claims and mining leases (“Project Area”) within the Providence Greenstone Belt Project (“PGB”) in the Northwest Territories. The Company will have the optional right to explore the Project Area for all metals and minerals, except diamonds. Under the LOI, the Company is required to make a cash payment of \$33,200 (paid), issue 1,000,000 common shares to GGL upon acceptance of the transaction by the TSX-V, convert all mineral claims into mining leases and maintain all mineral claims and mining leases in good standing for one year. Prior to obtaining its 100% interest in the Project Area the Company must complete a NI 43-101 compliant resource estimate. Once ownership has been earned, GGL will be entitled to a 1% NSR on all mineral production from the Project Area. The Company may purchase one-half the royalty interest for \$1,000,000.