MAMMOTH RESOURCES CORP.

Condensed Consolidated Interim Financial Statements of

Mammoth Resources Corp.

For the three and nine months ended
October 31, 2016 and 2015
(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF 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 unaudited condensed consolidated interim financial statements (the “Financial Statements”) they must be accompanied by a notice indicating that the Financial Statements have not been reviewed by an auditor.

The accompanying Financial Statements of the Mammoth Resources Corp. (the “Company”) have been prepared by and are the responsibility of the Company's management.

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

Mammoth Resources Corp.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

	October 31 2016 $	January 31 2016 $
ASSETS		
Current		
Cash	**43,056**	2,513
Government taxes recoverable (note 3)	**34,326**	29,623
Prepaid expenses	**15,357**	5,887
	92,739	38,023
Non-current		
Equipment (note 4)	**9,629**	9,629
Exploration and evaluation assets (note 5 and 8)	**1,147,727**	1,010,574
	1,250,095	1,058,226
LIABILITIES		
Current		
Trade payables and accrued liabilities	**322,274**	326,174
Due to related parties (note 8)	**61,697**	61,697
	383,971	387,871
Deferred income tax liability	**50,000**	50,000
	433,971	437,871
SHAREHOLDERS' EQUITY		
Share capital, warrants and share-based payment reserves (note 6)	**3,459,819**	3,199,835
Accumulated deficit	**(2,643,695)**	(2,579,480)
	816,124	620,355
	1,250,095	1,058,226

The accompanying notes are an integral part of these consolidated financial statements.
Nature of operations and going concern (notes 1 and 2)
Subsequent events (note 12)

Approved on behalf of the board on December 28, 2016

(signed) “Tom Atkins” — Director

(signed) “Wanda Cutler” — Director

Mammoth Resources Corp.

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

	For the three months ended		For the nine months ended	
	October 31 2016 $	October 31 2015 $	**October 31 2016 $**	October 31 2015 $
Expenses				
General and administrative (note 9)	**13,352**	9,454	**34,584**	27,464
Professional fees (note 8)	**7,250**	7,500	**23,250**	23,234
Foreign exchange	**6,381**	-	**6,381**	2,660
Total operating expenses	**(26,983)**	(16,954)	**(64,215)**	(53,358)
Net loss and comprehensive loss for the year	**(26,983)**	(16,954)	**(64,215)**	(53,358)
Loss per share - basic and diluted (note 7)	**0.00**	0.00	**0.00**	0.00
Weighted average number of shares outstanding – basic and diluted	**60,062,483**	46,715,018	**51,535,977**	41,777,150

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

Mammoth Resources Corp.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)

	For the nine months ended	
	October 31	October 31
	2016	2015
	$	$
Operating activities		
Loss for the period	**(64,215)**	(36,404)
Net change in non-cash working capital balances:		
Government taxes recoverable	**4,703)**	1,441
Prepaid expenses	**(9,470)**	(6,280)
Trade payables and accrued liabilities	**(3,900)**	(23,315)
Net cash used in operating activities	**(82,288)**	(64,558)
Investing activities		
Exploration and evaluation assets	**(129,341)**	(1,280)
Net cash used in investing activities	**(129,341)**	(1,280)
Financing activities		
Repayment of loan from officer	**-**	1,000
Issuance of common shares	**262,500**	79,000
Share issuance costs	**(10,328)**	-
Net cash provided by financing activities	**252,172**	79,000
Net change in cash	**40,543**	14,162
Cash, beginning of the period	**2,513**	23,988
Cash, end of the period	**43,056**	38,150

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

Mammoth Resources Corp.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Share capital		Warrants	Share-based payments reserves	Sub-total	Accumulated deficit	Total
	#	$	$	$	$	$	$
Balance, January 31, 2015	**38,575,018**	**2,517,686**	**8,319**	**594,830**	**3,120,835**	**(2,527,899)**	**592,936**
Common shares issued for cash	7,900,000	79,000	-	-	79,000	-	79,000
Share issuance costs	240,000	(1,176)	1,176	-	-	-	-
Net loss for the period	-	-	-	-	-	(53,358)	(53,358)
Balance, October 31, 2015	**46,715,018**	**2,556,010**	**48,995**	**594,830**	**3,199,835**	**(2,581,257)**	**618,578**
Net loss for the period	-	-	-	-	-	(1,777)	(1,777)
Balance, January 31, 2016	**46,715,018**	**2,556,010**	**48,995**	**594,830**	**3,199,835**	**(2,579,480)**	**620,355**
Common shares issued for property acquisition	781,150	7,812	-	-	7,812	-	7,812
Common shares issued for cash	16,125,000	262,500	-	-	60,000	-	60,000
Common shares issued for finders fee	114,000	2,280	-	-	2,280		2,280
Share issuance costs	-	(12,608)	-	-	(12,608)	-	(12,608
Net loss for the period	-	-	-	-	-	(64,215)	(64,215)
Balance, October 31, 2016	**63,735,618**	**2,815,994**	**48,995**	**594,830**	**3,459,819**	**(2,643,695)**	**816,124**

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

1. Nature of operations

Mammoth Resources Corp. (“Mammoth” or the “Company”) was incorporated on January 7, 2011 under the *Canada Business Corporations Act*, and is involved in the acquisition, exploration and evaluation of mining properties in Mexico. Its stock is listed on the TSX Venture Exchange under the symbol MTH. The head office of the Company is located at 410-150 York Street, Toronto, Ontario, Canada M5H 3S5. The registered and records office of the Company is located at Suite 2600, Oceanic Plaza, 1066 West Hastings Street, Vancouver, British Columbia, Canada V6E 3X1.

Mammoth is an exploration stage company and currently has interests in mineral exploration properties in Mexico. Substantially all of the Company’s efforts are devoted to financing and developing these properties and/or acquiring new ones. There has been no determination whether the Company's interests in mineral exploration properties contain mineral reserves, which are economically recoverable.

These condensed consolidated interim financial statements (the “Financial Statements”) have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these financial statements.

For the nine months ended October 31, 2016, the Company incurred a net loss of $64,215 (2015 – $53,358), and used cash from operations of $82,288 (2015 - used cash from operations of $72,814). As at October 31, 2016, the Company had an accumulated deficit of $2,643,695 (January 31, 2016 - $2,579,480) and a working capital deficit of $291,232 (January 31, 2016 – $349,848). The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves and the achievement of profitable operations. The Company also is dependent upon its ability to continue to raise adequate financing and there can be no assurances that the Company will be successful. These circumstances comprise a material uncertainty which may lend significant doubt as to the ability of the Company to continue as a going concern. Changes in future conditions could require material write-downs of the carrying values. The Company is actively targeting sources of additional financing which may assure continuation of the Company’s operations and exploration programs.

2. Basis of preparation and significant accounting policies

Statement of compliance

The Company prepares its condensed consolidated interim financial statements (the “Financial Statements”) in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The Financial Statements should be read in conjunction with the Company’s audited consolidated financial statements as at and for the year ended January 31, 2016 and have been prepared using accounting policies consistent with those used in the Company’s January 31, 2016 annual consolidated financial statements except for new standards and amendments mandatorily effective for the first time from February 1, 2016.

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments classified at fair value through profit or loss which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(Expressed in Canadian dollars)

4. Government taxes recoverable

The Company's receivables arise from two main sources: harmonized sales tax ("GST"/"HST") receivable due from Canadian government taxation authorities and value added tax ("VAT") due from Mexican government taxation authorities. The receivables balance is broken down as follows:

	October 31 2016 $	January 31 2016 $
GST/HST Recoverable	**6,452**	757
Mexican Sales Tax (VAT)	**27,874**	28,866
	34,326	29,623

The Company exercises judgment in presenting the Mexican Sales Tax (VAT) recoverable as current or non-current. It is management's judgment that the VAT recoverable is due and owing, and as such, the receivable is a current asset.

4. Equipment

For the nine months ended October 31, 2016	**Cost beginning of period** $	**Additions/ Disposals** $	**Impairment** $	**Cost end of period** $
Equipment	10,300	-	-	10,300
Vehicles	33,743	-	-	33,743
	44,043	**-**	**-**	**44,043**

For the nine months ending October 31, 2016	**Accumulated depreciation beginning of period** $	**Depreciation** $	**Accumulated depreciation end of period** $	**Net book value** $
Equipment	10,300	-	10,300	-
Vehicles	24,114	-	24,114	9,629
	34,414	**-**	**34,414**	**9,629**

For the year ended January 31, 2016	**Cost beginning of year** $	**Additions/ Disposals** $	**Impairment** $	**Cost end of year** $
Equipment	10,300	-	-	10,300
Vehicles	33,743	-	-	33,743
	44,043	**-**	**-**	**44,043**

For the year ending January 31, 2016	**Accumulated depreciation beginning of year** $	**Depreciation** $	**Accumulated depreciation end of year** $	**Net book value** $
Equipment	10,300	-	10,300	-
Vehicles	15,837	8,277	24,114	9,629
	26,137	**8,277**	**34,414**	**9,629**

(Expressed in Canadian dollars)

5. Exploration and evaluation assets

The Company has incurred the following acquisition costs and deferred exploration costs on its exploration and evaluation assets:

For the nine months ended October 31, 2016	**Tenoriba Project** $
Acquisition costs, January 31, 2016	50,480
Additions	7,812
Acquisition costs, October 31, 2016	58,292
Deferred exploration costs, January 31, 2016	960,094
Additions for the nine months ended October 31, 2016	
Geological consulting	7,741
Property taxes	118,054
Insurance	501
Travel and accommodation	3,045
	129,341
Deferred exploration costs, October 31, 2016	1,089,435
Total exploration and evaluation assets, October 31, 2016	1,147,727

For the year ended January 31, 2016	**Tenoriba Project** $
Acquisition costs, January 31, 2015	50,480
Additions	-
Acquisition costs, January 31, 2016	50,480
Deferred exploration costs, January 31, 2015	901,242
Additions for the year ended January 31, 2016	
Geology	935
Professional fees	1,919
Depreciation	8,277
Supplies	2,260
Taxes and permitting	42,341
Travel and accommodation	3,120
	58,852
Deferred exploration costs, January 31, 2016	960,094
Total exploration and evaluation assets, January 31, 2016	1,010,574

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets, and, to the best of its knowledge, title to all of its properties, except as described below, are properly registered and in good standing. However, there can be no guarantee of title and the exploration and evaluation assets may otherwise be subject to prior claims, agreements, or transfers and rights of ownership may be affected by undetected defects. The properties in which the Company has earned or committed to earn an interest are located in Mexico.

Tenoriba Project
On July 3, 2012, the Company signed a definitive agreement with two private Mexican citizens to option the Tenoriba gold and silver project located in southwestern Chihuahua State, Mexico (the "Agreement"). The Tenoriba project is comprised of three concessions, Mapy 1, Mapy 2 and Fernanda.

The terms of the Agreement permit the Company to acquire a 100% interest in the Tenoriba property by issuing a total of 900,000 common shares and making total cash payments of US$160,000 to the vendors over the four year option period and spending US$1,000,000 in exploration expenditures on or before June 30, 2016. The Agreement also allows for a 2% NSR royalty payable to the vendors upon commercial production. The royalty can be purchased by the Company at any time within a three month period from commencement of commercial production for US$1,500,000.

On March 12, 2015, the Agreement was amended (the “Amended Agreement”) to provide for the following payments:

<u>‘Fernanda’ Concession Option Details</u>
Pursuant to the Agreement, the Company has issued 200,000 common shares and made cash payments of US$23,750 as follows:

1. 50,000 common shares and USD$5,000 on or before December 30, 2012 (issued and paid);
2. 50,000 common shares and USD$5,000 on or before June 30, 2013 (issued and paid);
3. 50,000 common shares and USD$12,500 on or before December 30, 2013 (issued and paid); and
4. 50,000 common shares and USD$12,500 on or before June 30, 2014 (issued and paid).

Pursuant to the Amended Agreement, the Company will issue 365,575 common shares and make cash payments of US$62,500 as follows:

1. 140,575 common shares on or before December 30, 2015 (subsequently issued);
2. 50,000 common shares (subsequently issued) and USD$12,500 on or before June 30, 2016;
3. 50,000 common shares (subsequently issued) and USD$12,500 on or before December 30, 2016;
4. 62,500 (subsequently issued) common shares and USD$18,750 on or before June 30, 2017; and
5. 62,500 common shares and USD$18,750 on or before December 30, 2017.

<u>‘Mapy’ Concession Option Details</u>
Pursuant to the Agreement, the Company issued 150,000 common shares as follows:

1. 75,000 common shares on or before December 30, 2013 (issued); and
2. 75,000 common shares on or before June 30, 2014 (issued).

Pursuant to the Amended Agreement, the Company will issue 465,575 common shares and make cash payments of US$62,500 as follows:

1. 140,575 common shares December 30, 2015 (subsequently issued);
2. 75,000 common shares (subsequently issued) and USD$12,500 on or before June 30, 2016;
3. 75,000 common shares (subsequently issued) and USD$12,500 on or before December 30, 2016;
4. 87,500 common shares (subsequently issued) and USD$18,750 on or before June 30, 2017; and
5. 87,500 common shares and USD$18,750 on or before December 30, 2017.

(Expressed in Canadian dollars)

6. Shareholders' equity

Share capital

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

Nine months ended October 31, 2016

- On July 18, 2016, the Company completed a non-brokered private placement of 6,000,000 units at $0.01 per unit for gross proceeds of $60,000. Each unit is comprised of one common share and one common share purchase warrant exercisable at $0.05 per share until July 18, 2018.
- On July 18, 2016, the Company issued 781,150 common shares related to the acquisition of the Tenoriba property.
- On September 2, 2016, the Company completed a non-brokered private placement of 10,125,000 units at $0.02 per unit for gross proceeds of $202,500. Each unit is comprised of one common share and one common share purchase warrant exercisable at $0.05 per share until September 22, 2018. The Company paid a finders fee of $2,280 and issues 114,000 common shares of the Company in relation to the placement of certain units.

Year ended January 31, 2016

- On July 16, 2015, the Company completed a non-brokered private placement of 7,900,000 units at $0.01 per unit for gross proceeds of $79,000. Each unit is comprised of one common share and one common share purchase warrant exercisable at $0.05 per share until July 16, 2017. The Company issued 240,000 compensation units with similar terms as the private placement, valued at $3,576.

Stock options

On September 30, 2014, the shareholders of the Company approved the conversion of the Company's stock option plan (the "Plan") from a 20% fixed Plan to a 10% rolling Plan, whereby the maximum number of common shares that may be reserved for issuance under it shall not exceed 10% of the then outstanding common shares at the time of grant. The terms upon which any options are issued under the Plan are subject to vesting provisions determined by the board of directors. The term of any options granted may not exceed 10 years and their exercise price and vesting conditions will be determined by the board of directors pursuant to the policies of the TSX Venture Exchange.

A summary of the Company's stock options and compensation stock options at October 31, 2016 is presented below:

	Number of options	Weighted average exercise price $
Options outstanding and exercisable at January 31, 2015	**3,533,000**	**0.08**
Expired	(684,000)	0.09
Cancelled	(1,325,000)	0.08
Options outstanding and exercisable at January 31, 2016	**1,524,000**	**0.08**
Cancelled	(959,000)	0.08
Options outstanding and exercisable at October 31, 2016	**565,000**	**0.08**

(Expressed in Canadian dollars)

The following table sets out the details of the stock options granted and outstanding:

Date of grant	Remaining life years	Number of options	Exercise price $
January 13, 2012	0.20	300,000	0.10
June 30, 2012	0.66	50,000	0.10
September 19, 2013	1.89	115,000	0.06
April 9, 2014	2.45	100,000	0.05
		565,000	

Warrants and brokers warrants
The following table summarizes information on outstanding warrants and brokers warrants as at July 31, 2016:

	Number of warrants	Weighted average exercise price $
Outstanding, January 31, 2015	**20,884,542**	**0.10**
Granted	8,140,000	0.05
Expired	(11,387,400)	0.08
Outstanding, January 31, 2016	**17,637,142**	**0.07**
Granted	16,125,000	0.05
Expired	(9,497,142)	0.10
Outstanding, July 31, 2016	**24,265,000**	**0.06**

The composition of the outstanding warrants as at July 31, 2016 consists of the following:

	Expiry range	Number of warrants	Price range $
Warrants	July 16, 2017	7,900,000	0.05
Broker warrants	July 16, 2017	240,000	0.05
Warrants	July 18, 2018	6,000,000	0.05
Warrants	September 2, 2016	10,125,000	0.05
		24,265,000	

The following table sets out the details of the valuation of compensation warrants granted during the year ended January 31, 2016:

Date of grant	Number	Risk free interest rate	Expected dividend yield	Expected volatility	Expected life
July 16, 2015	240,000	0.86%	Nil	158.06%	2 years

7. Loss Per Share

The calculation of basic loss per share for the nine months ended October 31, 2016 was based on the loss attributable to common shareholders of $64,215 (2015 - $36,404) and a weighted average number of common shares outstanding of 60,062,483 (2015 – 46,715,018).

(Expressed in Canadian dollars)

8. Related party transactions and key management compensation

The Company defines its key management as the directors, Chief Executive Officer and Chief Financial Officer. For the nine months ended October 31, 2016, key management compensation was $11,000 (2015 - $2,500) including share-based payments of $nil (2015 - $nil).

The following table summarizes information on related party transactions:

	Nine months ended October 31	
	2016	2015
	$	$
Professional fees	**11,000**	5,000

At October 31, 2016, related party accounts payable was $61,697 (January 31, 2016 - $61,697) in connection with various services provided to the Company, including professional fees, corporate and geological consulting fees and office rent.

Commitment

The Company has entered into a consulting agreement with a director and officer of the Company for the provision of consulting services at a current cost of $130,000 per annum plus a bonus ranging from 0% to 100% per annum as recommended by the Compensation Committee and approval by the Board of Directors. During the nine months ended October 31, 2016, the consulting services and bonus entitlement have been waived.

The agreement will continue indefinitely, subject to the termination notice given by either party. The Company must provide twelve month's written notice for termination at the contracted annual rate of $130,000 per annum but reserves the right to waive such notice upon paying the fees which would have accrued during the twelve-month period. Should the Company be subject to a change in control and terminate the agreement, the engagement will terminate immediately and the Company will be required to pay an amount equal to 18 months of fees at the contracted annual rate of $130,000 per annum plus any bonus amount payable.

9. General and administrative expenses

The following table illustrates spending activity related to general and administrative expenses for the three and nine months ended October, 2016 and 2015:

	Three months ended October 31		Nine months ended October 31	
	2016	2015	**2016**	2015
	$	$	**$**	$
Shareholder and investor relations	**4,985**	3,949	**9,349**	4,493
Office costs	**948**	127	**2,576**	965
Communications	**1,341**	74	**3,450**	226
Regulatory and filing fees	**-**	2,803	**8,141**	7,339
Insurance	**438**	2,500	**5,338**	13,342
Travel	**5,639**	-	**5,639**	-
	13,352	9,454	**34,584**	27,464

10. Financial instrument risk management

a) Fair value of financial instruments

The carrying values of cash, trade payables and due to related parties approximate their fair values due to the short-term nature of these financial instruments.

b) Risk management

Credit risk
The Company's credit risk is primarily attributable to its cash and government taxes recoverable. The risk exposure is limited to their carrying values at the statement of financial position date. Cash is held as cash deposits with counterparties that carry investment grade ratings as assessed by external rating agencies. The Company does not invest in asset-backed deposits or investments.

Interest rate risk
The Company is not exposed to interest rate risk since it has no interest-bearing debt and its cash balances are not invested in interest-bearing instruments.

Liquidity risk
The Company's objective is to ensure that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, against cash. As of August 31, 2016, the Company had cash of $43,056 in cash to settle current liabilities of $383,971. As the Company does not have operating cash flow, the Company has and will continue to rely primarily on equity financing to meet its capital requirements.

Price risk
The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Currency risk
The Company operates in Canada and Mexico, and is therefore exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuations of the operating currencies in relation to the Canadian dollar will, consequently have an impact upon the reporting results of the Company and may also affect the value of the Company's assets and liabilities.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected by interest rate risk, currency risk or credit risk.

11. Capital risk management

The Company's objective when managing capital is to raise sufficient funds to execute its exploration plan and to meet its ongoing administrative costs. At October 31, 2016, the Company's capital consists of items in shareholders' equity, in the amount of $816,124 (January 31, 2016 - $620,355).

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company does not have any externally imposed capital requirements or covenants.