

Antler Hill Mining Ltd.

(A Capital Pool Corporation)

Interim Financial Statements

For the three months ended March 31, 2018

(expressed in Canadian dollars)

(Unaudited)

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of Antler Hill Mining have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2018 have not been reviewed by the Corporation's auditors.

Approved on behalf of Antler Hill Mining Ltd.,

Signed "Peter Bures"

Signed "Jing Peng"

Peter Bures
CEO

Jing Peng
CFO

Dated May 30, 2018

Antler Hill Mining Ltd.

(A Capital Pool Corporation)

Statement of Financial Position

March 31, 2018 and December 31, 2017

(Unaudited)

	March 31, 2018	December 31, 2017
	\$	\$
Assets		
Current assets		
Cash	639,620	650,569
Trade and other receivables	2,183	4,147
Prepaid deposits	8,750	8,750
Total current assets	650,553	663,466
Property and equipment (note 4)	266	288
Total assets	650,819	663,754
Liabilities		
Current liabilities		
Trade and other payables	41,431	14,732
Shareholders' equity		
Share capital	1,638,888	1,638,888
Contributed surplus	142,102	67,056
Deficit	(1,171,602)	(1,056,922)
Total shareholders' equity	609,388	649,022
Total liabilities and shareholders' equity	650,819	663,754

Going concern (note 3)

Signed "Peter Bures"

Peter Bures
CEO

Signed "Jing Peng"

Jing Peng
CFO

Antler Hill Mining Ltd.

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Statement of Comprehensive Loss

For the three months ended March 31, 2018 and 2017

(Unaudited)

	Three-month period ending March 31, 2018	Three-month period ending March 31, 2017
	\$	\$
General and administrative expenses		
Depreciation (note 7)	22	31
Filing fees and other	18,582	5,243
Professional fees	23,101	88
Stock-based compensation	75,046	-
Total general and administrative expenses	116,751	5,362
Other revenue		
Interest income	2,071	-
Total comprehensive loss for the year	(114,680)	(5,362)
Basic and diluted loss per share	(0.01)	(0.00)
Weighted average number of common shares outstanding – basic and diluted	18,765,000	3,300,000

Antler Hill Mining Ltd.

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Statement of Changes in Shareholders' Equity

For the three months ended March 31, 2018 and 2017

(Unaudited)

	Attributable to equity owners of Antler Hill Mining Ltd.:			
	Share capital	Contributed surplus	Deficit	Total equity
Balance, December 31, 2016	950,356	51,703	(964,494)	37,565
Loss for the period	-	-	(5,362)	(5,362)
Balance, March 31, 2017	950,356	51,703	(969,856)	32,203
Balance, December 31, 2017	1,638,888	67,056	(1,056,922)	649,022
Issue of stock options	-	75,046	-	75,046
Loss for the period	-	-	(114,680)	(114,680)
Balance, March 31, 2018	1,638,888	142,102	(1,171,602)	609,388

Antler Hill Mining Ltd.

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Statements of Cash Flows

For the three months ended March 31, 2018 and 2017

(Unaudited)

	Three-month period ending March 31, 2018 \$	Three-month period ending March 31, 2017 \$
Cash (used in) provided by:		
Operating activities		
Comprehensive loss for the period	(114,680)	(5,362)
Adjustments for:		
Depreciation	22	31
Stock-based compensation	75,046	
	<u>(39,612)</u>	<u>(5,331)</u>
Changes in items of working capital		
Trade and other receivables	1,964	(2,344)
Trade and other payables	26,699	746
Net cash used in operating activities	<u>(10,949)</u>	<u>(6,929)</u>
Change in cash	(10,949)	(6,929)
Cash, beginning of period	650,569	80,091
Cash, end of period	<u>639,620</u>	<u>73,162</u>

Antler Hill Mining Ltd.

(A Capital Pool Corporation)

Notes to the Financial Statements

For the three months ended March 31, 2018

(Unaudited)

1 Description of business

Antler Hill Mining Ltd. (formerly Antler Hill Oil & Gas Ltd.) (the “Company”) was incorporated under the Business Corporations Act of Alberta of September 11, 2009 and is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”).

Antler Hill Oil & Gas Ltd. changed its name to Antler Hill Mining Ltd. on September 27, 2017. The Company now trades on the NEX under the symbol AHM.H. The principal business of the Company changed its focus from seeking an oil and gas asset to seeking precious metals assets in the Americas with a view of completing a qualifying transaction, as defined by the Exchange.

The Company operates from its primary office in Calgary, Alberta, Canada. Its registered head office is located at, 445, 708 – 11th Avenue SW., Calgary, AB, T2R 0E4.

2 Basis of presentation and statement of compliance

These unaudited condensed interim financial statements (“Interim Financial Statements”) have been prepared in accordance with IFRS as issued by the IASB applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2017 (“Annual Financial Statements”) which have been prepared in accordance with IFRS as issued by the IASB.

3 Going concern

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These financial statements do not reflect the adjustments that would be necessary if the going concern assumption were considered to be inappropriate.

At March 31, 2018, the Company had not yet achieved profitable operations, has an accumulated deficit of \$1,171,602 (December 31, 2017 - \$964,494) and has not yet completed its qualifying transaction. These factors indicate the existence of material uncertainties which may cast significant doubt about the Company’s ability to continue as a going concern.

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Notes to the Financial Statements

For the three months ended March 31, 2018

(Unaudited)

3 Going concern *(continued)*

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of petroleum properties, assets or businesses which qualifies as a qualifying transaction. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain operations may be impaired and accordingly, the Company may be unable to realize on the carrying value of its net assets.

4 Changes in significant accounting policies

IFRS 9 Financial Instruments

On July 24, 2014, the IASB issued the completed IFRS 9, Financial Instruments, (IFRS 9 (2014)) to come into effect on January 1, 2018 with early adoption permitted.

IFRS 9 (2014) includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 largely retains the existing requirements in IAS 39 Financial Instruments: recognition and measurement, for the classification and measurement of financial liabilities.

The Company adopted IFRS 9 in its consolidated financial statements on January 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no impact on the opening accumulated deficit balance on January 1, 2018. The impact on the classification and measurement of its financial instruments is set out below.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

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Notes to the Financial Statements

For the three months ended March 31, 2018

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4 Changes in significant accounting policies (continued)

IFRS 9 Financial Instruments (continued)

All financial instruments are initially recognized at fair value on the consolidated statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the consolidated statement of loss and comprehensive loss for the year. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement changes under IFRS 9 for each financial instrument:

Classification	IAS 39	IFRS 9
Cash	Loans and receivables (amortized cost)	Amortized cost
Trade and other receivable	Loans and receivables (amortized cost)	Amortized cost
Trade and other payable	Other financial liabilities (amortized cost)	Amortized cost

IFRS 15 Revenue from contracts with customers

IFRS 15 supersedes IAS 18 Revenue and IAS 11 Construction Contracts and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are within the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Company adopted IFRS 15 using the modified retrospective method of adoption on January 1, 2018. The effect of adopting IFRS 15 did not have a material impact on the Company's interim financial statements.

The Company adopted IFRS 9 and IFRS 15 on January 1, 2018 using retrospective application. There was no effect on the Company's financial statements upon adoption of these standards.

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Notes to the Financial Statements

For the three months ended March 31, 2018

(Unaudited)

5 Property, plant and equipment

	Equipment \$
Cost, December 31, 2016 & December 31, 2017	4,291
	Total \$
Accumulated depreciation, December 31, 2016	3,879
Depreciation	124
Accumulated depreciation, December 31, 2017	4,003
Depreciation	22
Accumulated depreciation, March 31, 2018	4,025
	Total \$
Net book value, December 31, 2017	288
Net book value, March 31, 2018	266

6 Related party transactions

There have been no related party transactions for the three and nine months period ended March 31, 2018.

7 Share capital

Authorized

Unlimited number of voting common shares

Unlimited number of preferred shares

Issued

	Number of common shares	Amount \$
Balance, December 31, 2017 & March 31, 2018	18,765,000	1,638,888

On March 13, 2018 the Company completed a share consolidation of 1 post consolidated common share for every 3.3333 pre-consolidation share.

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Notes to the Financial Statements

For the three months ended March 31, 2018

(Unaudited)

7 Share capital (Continued)

Stock options

The Company has established a stock option plan (the "Plan") which provides that the board of directors of the Company may from time to time, in its discretion grant to directors, officers, employees, and consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of five years from the date of grant.

The following table summarizes information about the Company's stock options outstanding at March 31, 2018 and December 31, 2017:

	March 31, 2018		December 31, 2017	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Stock options, beginning of year	-	-	1,100,000	0.05
Granted (i)	1,876,500	0.15	-	-
Cancelled	-	-	(1,100,000)	0.05
Stock options outstanding, end of year	1,876,500	0.15	-	-

The total stock options outstanding at March 31, 2018 are as follows:

Exercise prices (\$)	Options outstanding	Weighted average remaining term (years)	Weighted average exercise price (\$)	Options exercisable
0.15	1,876,500	4.95	0.15	1,876,500

The fair value of the options granted is estimated as at the grant date using the Black-Scholes option pricing model.

- (i) On March 13, 2018, the Company granted 1,876,500 stock options at an exercise price of \$0.15 to certain directors, officers, employees and consultants of the Company. These options have an expiry date of March 13, 2023.

The fair value of the options was estimated using the Black-Scholes option model with the following assumptions:

Risk-free interest rate	1.98%
Expected life	5 years
Expected volatility	347.4%
Forfeiture rate	-%
Fair value	\$0.040

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For the three months ended March 31, 2018

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7 Share capital (Continued)

Share-based payment expense recognized during the period ended March 31, 2018 was \$75,046, all of which has been recorded in the statement of comprehensive loss.

Warrants

The following table summarizes information about the Company's warrants outstanding at March 31, 2018 and December 31, 2017:

	March 31, 2018		December 31, 2017	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Stock options, beginning of year	3,165,505	0.05	-	-
Granted			3,165,505	0.05
Stock options outstanding, end of year	3,165,505	0.05	3,165,505	0.05

The fair value of the warrants granted is estimated as at the grant date using the Black-Scholes option pricing model.

- (i) On September 11, 2017, the Company granted 3,165,505 finder's options to several arm's length finders at an exercise price of \$0.05 per share with a 1 year term. These options expire September 11, 2018.

The fair value of the options was estimated using the Black-Scholes option model with the following assumptions:

Risk-free interest rate	1.54%
Expected life	1 year
Expected volatility	80.3%
Forfeiture rate	-%
Fair value	\$0.005

The total warrants outstanding at March 31, 2018 are as follows:

Exercise prices (\$)	Warrants outstanding	Weighted average remaining term (years)	Weighted average exercise price (\$)	Warrants exercisable
0.05	3,165,505	0.45	0.05	3,165,505