ARMOR MINERALS INC.

Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended December 31, 2017

Notice to Reader

These unaudited condensed consolidated interim financial statements have been prepared by management and have not been reviewed by the Company’s auditor.

Armor Minerals Inc.

Condensed Consolidated Interim Statements of Financial Position
(Unaudited – Canadian dollars)

		December 31, 2017		March 31, 2017
Assets				
Current assets:				
Cash and cash equivalents	$	529,265	$	646,758
Amounts receivable		1,264		650
Prepaid expenses		-		9,748
		530,529		657,156
Non-current assets:				
Other assets (note 7)		17,735		-
	$	548,264	$	657,156
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities (note 4)	$	9,657	$	62,593
Due to related party (note 7)		4,305		319
		13,962		62,912
Shareholders' equity (deficit)				
Share capital (note 6)		27,625,170		27,625,170
Reserves (note 6)		4,001,505		4,002,029
Deficit		(31,092,373)		(31,032,955)
		534,302		594,244
	$	548,264	$	657,156

Nature of operations and liquidity (note 1)
Commitments (note 8)

See accompanying notes to the condensed consolidated interim financial statements.

Armor Minerals Inc.

Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss
(Unaudited – Canadian dollars)

	Three months ended December 31, 2017	Three months ended December 31, 2016	Nine months ended December 31, 2017	Nine months ended December 31, 2016
Expenses:				
Salaries and benefits	$ 4,480	$ 15,791	$ 21,082	$ 41,944
General office expenses	3,663	13,591	14,749	29,375
Professional fees	3,000	5,733	10,635	30,168
Listing and filing fees	2,649	12,575	14,591	26,696
Investor relations	205	1,305	1,040	4,640
Exploration and evaluation costs (note 5)	-	201,272	-	299,276
Travel	-	3,488	-	3,488
Loss before other items	(13,997)	(253,755)	(62,097)	(435,587)
Finance income	1,028	1,217	2,900	1,863
Foreign exchange loss	(91)	(444)	(221)	(681)
Net loss	(13,060)	(252,982)	(59,418)	(434,405)
Other comprehensive loss:				
Items that may be reclassified to profit or loss:				
Foreign currency translation loss	(42)	(1,087)	(524)	(777)
Comprehensive loss	$ (13,102)	$ (254,069)	$ (59,942)	$ (435,182)
Basic and diluted net loss per share	$ (0.00)	$ (0.01)	$ (0.00)	$ (0.01)
Weighted average number of shares outstanding	41,319,015	41,344,015	41,319,015	39,234,924

See accompanying notes to the condensed consolidated interim financial statements.

Armor Minerals Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficit)
(Unaudited – Canadian dollars)

	Share Capital		Reserves				
	Number of shares	Amount	Foreign currency translation reserve	Options and warrants	Total	Deficit	Total deficit
Balance, April 1, 2017	41,319,015	$ 27,625,170	$ 1,330	$ 4,000,699	$ 4,002,029	$ (31,032,955)	$ 594,244
Comprehensive loss	-	-	(524)	-	(524)	(59,418)	(59,942)
Balance, December 31, 2017	41,319,015	$ 27,625,170	$ 806	$ 4,000,699	$ 4,001,505	$ (31,092,373)	$ 534,302

	Share Capital		Reserves				
	Number of shares	Amount	Foreign currency translation reserve	Options and warrants	Total	Deficit	Total Deficit
Balance, April 1, 2016	36,344,015	$ 26,950,489	$ -	$ 3,682,872	$ 3,682,872	$ (30,558,566)	$ 74,795
Units issued on private placement	5,000,000	682,173	-	317,827	317,827	-	1,000,000
Share issue costs	-	(7,492)	-	-	-	-	(7,492)
Comprehensive income	-	-	(777)	-	(777)	(434,405)	(435,182)
Balance, December 31, 2016	41,344,015	$ 27,625,170	$ (777)	$ 4,000,699	$ 3,999,922	$ (30,992,971)	$ 632,121

See accompanying notes to the condensed consolidated interim financial statements.

Armor Minerals Inc.

Condensed Consolidated Interim Statements of Cash Flows
(Unaudited – Canadian dollars)

	Three months ended December 31, 2017	Three months ended December 31, 2016	Nine months ended December 31, 2017	Nine months ended December 31, 2016
Cash provided by (used in):				
Operating activities:				
Net loss	$ (13,060)	$ (252,982)	$ (59,418)	$ (434,405)
Items not affecting cash:				
Foreign exchange loss (gain)	45	(515)	(151)	(258)
Net changes in non-cash working capital items:				
Amounts receivable	(141)	2,555	(614)	1,858
Prepaid expenses	1,600	4,356	9,748	25,663
Accounts payable and accrued liabilities	(2,500)	143,396	(52,936)	95,757
Due to related parties	2,463	14,270	3,986	18,597
	(11,593)	(88,920)	(99,385)	(292,788)
Financing activities:				
Proceeds from private placement	-	-	-	1,000,000
Share issue costs	-	(741)	-	(7,492)
	-	(741)	-	992,508
Investing activities:				
Other assets	(4,800)	-	(17,735)	-
	(4,800)	-	(17,735)	-
Effect of exchange rate changes on cash and cash equivalents	(87)	(572)	(373)	(519)
Increase (decrease) in cash and cash equivalents	(16,480)	(90,233)	(117,493)	699,201
Cash and cash equivalents, beginning of period	545,745	911,801	646,758	122,367
Cash and cash equivalents, end of period	$ 529,265	$ 821,568	$ 529,265	$ 821,568
Supplementary information:				
Cash and cash equivalents, end of period comprise:				
Cash and balances with banks	$ 5,177	$ 28,694	$ 5,177	$ 28,694
Short-term investments	524,088	792,874	524,088	792,874
	$ 529,265	$ 821,568	$ 529,265	$ 821,568

See accompanying notes to the condensed consolidated interim financial statements.

1. Nature of Operations and Liquidity

Armor Minerals Inc. (the "Company" or "Armor") is incorporated in British Columbia, Canada. The Company's head office is located at Suite 555 – 999 Canada Place, Vancouver, British Columbia, V6C 3E1. The condensed consolidated interim financial statements as at December 31, 2017 consist of Armor and its wholly owned subsidiary, Armor Minerals (US) Inc. ("Armor US") organized under the laws of Virginia. The Company is publicly traded with shares listed on the TSX Venture Exchange (the "TSX-V").

The Company is engaged in the acquisition and exploration of mineral property interests. The business of mining and the exploration for minerals involves a high degree of risk and there can be no assurance that such activities will result in profitable mining operations.

At December 31, 2017 the Company had cash and cash equivalents of $529,265, working capital of $516,567, net loss for the nine months ended December 31, 2017 of $59,418, and a deficit of $31,092,373. Based on anticipated cash flows, the Company is expected to have sufficient resources to meet its committed expenditures for the next twelve months. However, depending on the level of exploration activities, additional funds may be required and the Company may need to seek additional funding to finance such activities. The Company has historically raised funds principally through the sale of securities and will continue to seek to obtain funding through similar or other means depending on market conditions and other relevant factors at the time. However, there can be no assurance that the Company will be able to obtain such additional funding or obtain it on acceptable terms.

The Company's financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of operations. These financial statements do not reflect the adjustments to carrying values of assets and liabilities that would be necessary should the going concern assumption prove to be inappropriate, and these adjustments could be material.

2. Basis of Presentation

Statement of compliance

These condensed consolidated interim financial statements have been prepared 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* ("IAS 34"). Accordingly, they do not include all of the information and notes to the consolidated financial statements required by IFRS for complete financial statements and should be read in conjunction with the Company's most recent audited consolidated financial statements.

These unaudited condensed consolidated interim financial statements follow the same accounting policies and methods of application used in the Company's audited consolidated financial statements as at and for the year ended March 31, 2017. The Board of Directors authorized these financial statements for issuance on February 28, 2018.

3. Recent Accounting Pronouncements

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC. Some updates that are not applicable or are not consequential to the Company may have been excluded.

IFRS 9, *Financial Instruments* is mandatorily effective for the Company's consolidated financial statements for the year ending March 31, 2019. IFRS 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost; fair value through profit and loss; and fair value through other comprehensive income. IFRS 9 introduces the expected credit loss model for impairment of financial assets which replaces the incurred loss model used in IAS 39. IFRS 9 amends the rules on hedge accounting to align the accounting treatment with the risk management practices of the business. Lastly, IFRS 9 amends some of the requirements of IFRS 7, *Financial Instruments: Disclosures*, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The Company has determined that there will not be any material changes in the classification, measurement or carrying values of the Company's financial instruments as a result of the adoption of IFRS 9.

On January 13, 2016, the IASB issued IFRS 16 *Leases* ("IFRS 16") in accordance with which, all leases will be recorded on the statement of financial position of lessees, except those that meet the limited exception criteria. As a result, for the Company's office rental leases, rent expense will be removed and replaced by the recording of depreciation and finance expenses. IFRS 16 is mandatorily effective for the Company's consolidated financial statements for the year ending March 31, 2020.

4. Accounts Payable and Accrued Liabilities

	December 31, 2017	March 31, 2017
Trade and other payables	$ 9,657	$ 22,627
Due to Jack's Fork Exploration, Inc. (note 5)	-	39,966
	$ 9,657	$ 62,593

5. Exploration and Evaluation Costs

The following is a summary of exploration and evaluation costs by category for the three and nine months ended December 31, 2017 and 2016:

	Three months ended December 31, 2017	Three months ended December 31, 2016	Nine months ended December 31, 2017	Nine months ended December 31, 2016
Geologic consulting and support	$ -	$ 66,651	$ -	$ 89,435
Drilling	-	54,617	-	54,617
Administration fee	-	33,353	-	33,353
Assay and analysis	-	20,881	-	56,908
Travel, food and accommodations	-	14,321	-	19,161
Supplies and other	-	6,666	-	8,401
Property access	-	4,783	-	4,783
Option and royalty payments	-	-	-	32,618
	$ -	$ 201,272	$ -	$ 299,276

On October 28, 2015, the Company signed a definitive Earn-in Agreement (the "Agreement") with Jack's Fork Exploration, Inc. ("Jack's Fork"), to acquire up to an 80% joint venture interest in the Warmister and Tower Hill gold properties (the "Properties") located in Virginia, USA. On April 7, 2016, the Company assigned the Agreement to its wholly owned subsidiary, Armor US.

On February 24, 2017 in accordance with the Agreement, Armor gave thirty days' advance notice of termination to Jack's Fork. Upon expiry of the thirty day notice period, the Agreement was of no further force or effect and Armor has no further obligation to incur expenses on or for the benefit of the Properties and has no further obligations or liabilities to Jack's Fork under the Agreement or with respect to the Properties, other than to reimburse Jack's Fork for expenditures initiated on the Properties prior to the termination date.

As of the date of termination, the Company incurred expenditures totaling US$455,040 and earned a 10% interest in the Properties.

6. Share Capital and Reserves

a) Share capital

In connection with a units for debt transaction there are a total of 3,842,716 units remaining in escrow as at December 31, 2017 (March 31, 2017 – 11,528,148). Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.05 per common share until April 22, 2020. The remaining escrowed units are to be released on April 22, 2018.

b) Warrants

The following summarizes the Company's warrants at December 31, 2017:

Date of Issue	Exercise Price	Expiry Date	March 31, 2017	Issued	Expired	December 31, 2017
April 29, 2015	$0.05	April 22, 2020	25,618,106	-	-	25,618,106
April 29, 2015	$0.08	April 29, 2018	4,000,000	-	-	4,000,000
October 7, 2015	$0.15	October 7, 2020	5,000,000	-	-	5,000,000
July 25, 2016	$0.40	July 25, 2021	2,500,000	-	-	2,500,000
			37,118,106	-	-	37,118,106

The weighted average exercise price of the warrants outstanding at December 31, 2017 is $0.09 (March 31, 2017 – $0.09).

7. Related Party Disclosures

Commencing March 1, 2015, the Company shares office space, equipment, personnel, consultants and various administrative services with other companies (NewCastle Gold Ltd. until December 22, 2017, Arizona Mining Inc. and Titan Mining Corporation) related by virtue of certain common management and a director of the Company. These services have been mainly provided through a management company equally owned by the related companies. Costs incurred by the management company are allocated between the related companies based on time incurred and use of services. The Company was charged for the following with respect to these arrangements in three and nine months ended December 31, 2017 and 2016:

	Three months ended December 31, 2017	Three months ended December 31, 2016	Nine months ended December 31, 2017	Nine months ended December 31, 2016
Salaries and benefits	$ 4,480	$ 15,791	$ 21,082	$ 41,944
General office expenses and other	3,793	14,159	14,225	29,075
Listing and filing fees	190	165	3,951	2,933
Investor relations	-	1,125	450	3,135
Travel	-	3,430	-	3,430
Exploration and evaluation costs	-	-	-	16,523
Professional fees	-	-	-	14,357
	$ 8,463	$ 34,670	$ 39,708	$ 111,397

At December 31, 2017, prepaid expenses include $nil (March 31, 2017 – $4,423) and due to related party includes $4,305 (March 31, 2017 – $319) with respect to these arrangements.

Other assets of $17,735 (March 31, 2017 – $nil) relate to the Company's share of jointly owned assets (primarily security deposits, leasehold improvements, and furniture and equipment) held by the management company.

8. Commitments

At December 31, 2017, based on current estimated usage, the Company is committed to payments for office premises through fiscal 2022 in the total amount of approximately $62,300. Payments by fiscal year are:

2018	$	4,000
2019		15,900
2020		15,900
2021		15,900
2022		10,600

9. Segment Information

The Company operates in one industry segment, being mineral exploration. Geographic information is as follows:

		Canada		United States		Total
Total assets as at:						
December 31, 2017	$	547,576	$	688	$	548,264
March 31, 2017	$	656,746	$	410	$	657,156
Net loss for the nine months ended:						
December 31, 2017	$	58,966	$	452	$	59,418
December 31, 2016	$	134,302	$	300,103	$	434,405