



SILVER PREDATOR CORP.

(An Exploration Stage Enterprise)

Interim Condensed Consolidated Financial Statements

For the Three Months Ended March 31, 2019 and 2018

Notice of Non-review of Interim Condensed Consolidated Financial Statements

The attached interim condensed consolidated financial statements for the three months ended March 31, 2019 and 2018 have been prepared by and are the responsibility of Silver Predator Corp.'s ("SPD") management and have been approved by the Audit Committee of SPD. SPD's independent auditor has not performed a review of these interim condensed consolidated financial statements.

Silver Predator Corp.
Interim Condensed Consolidated Statements of Financial Position

	March 31, 2019 (Unaudited)	December 31, 2018 (Audited)
ASSETS		
Current		
Cash	\$ 441,893	\$ 523,152
Receivables, prepaid expenses, and deposits	30,338	13,221
Investments (Note 3)	8,925	11,200
	<u>481,156</u>	<u>547,573</u>
Reclamation bonds	84,409	86,171
Mineral properties (Note 4)	1,461,496	1,492,009
	<u>\$ 2,027,061</u>	<u>\$ 2,125,753</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liability (Note 5)	\$ 168,678	\$ 168,476
	168,678	168,476
Shareholders' equity (Note 7)		
Share capital	32,529,936	32,529,936
Reserves	2,750,223	2,750,223
Accumulated other comprehensive income	3,015,604	3,047,606
Deficit	(36,437,380)	(36,370,488)
	<u>1,858,383</u>	<u>1,957,277</u>
	<u>\$ 2,027,061</u>	<u>\$ 2,125,753</u>

Approved on behalf of the Audit Committee:

"Patricia M. Tilton"

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

Silver Predator Corp.**Interim Condensed Consolidated Statements of Loss and Comprehensive Loss
(Unaudited)**

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Expenses		
Professional and consulting fees	\$ 47,985	\$ 48,263
General and administrative	18,100	13,508
	<u>(66,085)</u>	<u>(61,771)</u>
Other income (expense)		
Foreign exchange (loss) gain	(902)	2,512
Interest and other income (expenses)	95	(67)
	<u>(807)</u>	<u>2,445</u>
Net loss	<u>\$ (66,892)</u>	<u>\$ (59,326)</u>
Change in cumulative translation adjustment	(31,382)	41,069
Change in the fair value of equity investment at fair value through other comprehensive income ("FVOCI"), net of income tax	(620)	(42,000)
Other comprehensive loss	<u>\$ (32,002)</u>	<u>\$ (931)</u>
Total comprehensive loss	<u>\$ (98,894)</u>	<u>\$ (60,257)</u>
Basic and diluted loss per common share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average number of common shares outstanding (Note 7)	<u>28,609,838</u>	<u>28,609,838</u>

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

Silver Predator Corp.
Interim Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
OPERATING ACTIVITIES		
Net loss	\$ (66,892)	\$ (59,326)
Items not affecting cash:		
Foreign exchange (gain) loss	(328)	1,110
	(67,220)	(58,216)
Changes in non-cash working capital items:		
Increase in receivables	(2,001)	(2,346)
(Increase) decrease in prepaid expenses and deposits	(15,116)	4,405
Increase (decrease) in amounts due to related parties	4,002	(8,074)
(Decrease) increase in accounts payable and accrued liability	(2,579)	18,844
	(82,914)	(45,387)
INVESTING ACTIVITIES		
Proceeds from sale of marketable securities (Note 3)	1,655	—
	1,655	—
Change in cash	(81,259)	(45,387)
Cash, beginning of year	523,152	363,929
Cash, end of period	\$ 441,893	\$ 318,542

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

Silver Predator Corp.Interim Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Share capital			Reserves	Accumulated other comprehensive income	Deficit	Total
	Number	Amount					
Balance, January 1, 2018	28,609,838	\$ 32,529,936	\$ 2,750,223	\$ 3,007,743	\$ (36,442,502)	\$ 1,845,400	
Cumulative translation adjustment	—	—	—	41,069	—	41,069	
Change in the fair value of equity investment at FVOCI, net of tax	—	—	—	(42,000)	—	(42,000)	
Net loss for the period	—	—	—	—	(59,326)	(59,326)	
Balance, March 31, 2018	28,609,838	\$ 32,529,936	\$ 2,750,223	\$ 3,006,812	\$ (36,501,828)	\$ 1,785,143	
Balance, January 1, 2019	28,609,838	\$ 32,529,936	\$ 2,750,223	\$ 3,047,606	\$ (36,370,488)	\$ 1,957,277	
Cumulative translation adjustment	—	—	—	(31,382)	—	(31,382)	
Change in the fair value of equity investment at FVOCI, net of tax	—	—	—	(620)	—	(620)	
Net loss for the period	—	—	—	—	(66,892)	(66,892)	
Balance, March 31, 2019	28,609,838	\$ 32,529,936	\$ 2,750,223	\$ 3,015,604	\$ (36,437,380)	\$ 1,858,383	

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

Silver Predator Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2019 and 2018

1. NATURE OF OPERATIONS

SPD was incorporated under the laws of the Province of British Columbia on May 16, 2006. SPD controls the Copper King copper-silver project ("Copper King") in the Coeur d'Alene Silver District of northern Idaho, U.S., the Taylor silver-gold project ("Taylor") in Nevada, U.S., and other early stage exploration properties in the U.S. As of March 31, 2019, SPD is 64.11% owned by Resource Re Ltd., a wholly-owned subsidiary of Till Capital Ltd. ("Till Capital"). SPD's head office is located at 13403 N. Government Way, Suite 212, Hayden, ID 83835, U.S.

2. BASIS OF PRESENTATION AND MEASUREMENT

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and interpretations of the IFRS Interpretations Committee applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. These unaudited interim condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS.

These unaudited interim condensed consolidated financial statements have been prepared on an historical cost basis except for certain financial instruments and stock-based awards, which have been measured at fair value. SPD's presentation currency is Canadian dollars. Reference herein to \$ is to Canadian dollars. Reference herein to US\$ is to United States dollars.

These unaudited interim condensed consolidated financial statements were approved by the Audit Committee for issuance on May 2, 2019.

Basis of consolidation

These unaudited interim condensed consolidated financial statements include the accounts of SPD and its subsidiaries.

Subsidiaries are entities that SPD controls, either directly or indirectly. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when SPD has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. That control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a company's share capital. All intra-group balances and transactions, including unrealized profits and losses arising from intra-group transactions, have been eliminated.

Where necessary, adjustments are made to the results of the subsidiaries to bring their accounting policies in line with those used by SPD.

SPD's significant subsidiaries are as follows:

Name of Subsidiary	Place of Incorporation	Proportion of Ownership Interest	Principal Activity
Silver Predator US Holding Corp.	Nevada, USA	100%	U.S. Holding Company
Nevada Royalty Corp.	Nevada, USA	100%	Mineral exploration

Other than the adoption of IFRS 16, *Leases* ("IFRS 16") as described below, these unaudited interim condensed consolidated financial statements follow the same significant accounting policies set out in Note 3 of the annual audited consolidated financial statements for the year ended December 31, 2018.

New standard

IFRS 16 requires all leases to be recorded on the balance sheet of lessees, except for those leases that meet the limited exception criteria. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. As SPD currently does not have operating leases, and, as such, the adoption of IFRS 16 had no material impact on its financial position.

3. INVESTMENTS

Investments at March 31, 2019 consisted of 255,000 common shares of Montego Resources Inc. ("Montego"). Those shares have a cost basis of \$56,615 and, at March 31, 2019 fair value of \$8,925. In the first quarter 2019, SPD sold 25,000 common shares of Montego for \$1,655.

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Notes to the Interim Condensed Consolidated Financial Statements For the three months ended March 31, 2019 and 2018

4. MINERAL PROPERTIES

The following table presents a list of mineral properties as of March 31, 2019 and December 31, 2018:

	Treasure Hill	Taylor	Cordero	Copper King	Cornucopia	Total
Balance, December 31, 2017	\$ 223,742	\$ 28,778	\$ 82,790	\$ 1,017,401	\$ 59,264	\$ 1,411,975
Option payment	—	(342,660)	—	—	—	(342,660)
Additions / Exploration costs (net)	—	—	11,264	10,135	6,072	27,471
Exploration expense recovery	—	313,680	—	—	—	313,680
Write-down	(41,065)	—	—	—	—	(41,065)
Currency translation adjustment	19,564	202	7,835	89,504	5,503	122,608
Balance, December 31, 2018	\$ 202,241	\$ —	\$ 101,889	\$ 1,117,040	\$ 70,839	\$ 1,492,009
Currency translation adjustment	(4,136)	—	(2,083)	(22,845)	(1,449)	(30,513)
Balance, March 31, 2019	\$ 198,105	\$ —	\$ 99,806	\$ 1,094,195	\$ 69,390	\$ 1,461,496

Treasure Hill

The Treasure Hill property is located west of Ely in White Pine County, Nevada, U.S. and consists of certain patented and unpatented claims. Treasure Hill is subject to existing net smelter royalties ("NSR") of between 2% and 3% and a 1.5% net profits interest. An expense of \$41,065 was recorded at December 31, 2018 to write-down to \$nil the capitalized costs related to the unpatented claims not renewed in 2018. At March 31, 2019, the remaining Treasure Hill property represents the original cost less previous write-downs.

Taylor

The Taylor property is located in White Pine County, Nevada, U.S. That property hosts a silver mineral resource reported in accordance with Canadian National Instrument 43-101.

On April 3, 2017, SPD entered into an option agreement (the "Agreement") with Montego pursuant to which Montego has the right to acquire from SPD certain mining claims located in White Pine County in the State of Nevada, U.S., commonly referred to as the Taylor Silver Property (the "Property").

Under the terms of the Agreement, Montego can acquire the Property in consideration for the completion of a series of cash payments totaling US\$1,200,000, issuing 2,500,000 common shares of Montego to SPD, and incurring expenditures of at least US\$700,000 on the Property. Upon completion of the payments, share issuances, and expenditures, Montego will hold a one-hundred percent interest in the Property, subject to a two-percent net smelter returns royalty and a one-percent net profit royalty that will be retained by SPD.

The payments, share issuances, and expenditures must be completed in accordance with the following schedule based on the closing date set forth in the Agreement:

- At closing: US\$200,000 cash and 500,000 common shares
- 6 months from closing: US\$100,000 cash and 300,000 common shares
- 12 months from closing: US\$200,000 cash, 400,000 common shares and expenditures of US\$100,000
- 24 months from closing: US\$300,000 cash, 500,000 common shares and expenditures of US\$250,000
- 36 months from closing: US\$400,000 cash, 800,000 common shares and expenditures of US\$350,000

The closing occurred on April 20, 2017 on which date SPD received \$265,770 (US\$200,000) cash and 500,000 common shares of Montego initially valued at \$207,500. SPD sold those 500,000 common shares in November 2017 on the open market for \$149,000. On October 19, 2017, SPD received the second installment due from Montego, i.e., \$124,850 (US \$100,000) cash and 300,000 common shares of Montego, initially valued at \$57,000. On April 19, 2018, SPD received the third installment due from Montego, i.e., \$252,660 (US\$200,000) cash and 400,000 common shares of Montego, initially valued at \$90,000. As of April 19, 2018, Montego has also completed the required US\$100,000 expenditures. SPD sold 425,000 common shares of Montego in the third quarter 2018 on the open market for \$103,599 and sold 25,000 common shares of Montego in the first quarter 2019 on the open market for \$1,655.

Option payments are credited against the carrying value of the Property. Option payments received in excess of the carrying value of the Property are recorded as an exploration expense recovery. SPD recorded \$313,680 of exploration expense recovery in 2018.

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Notes to the Interim Condensed Consolidated Financial Statements For the three months ended March 31, 2019 and 2018

As of May 2, 2019, Montego has not made the fourth installment due on April 20, 2019.

Copper King, Idaho

Copper King is located in the Silver Valley of Northern Idaho, U.S. and consists of certain unpatented mining claims that are subject to an existing 1% NSR to Golden Predator US Holding Corp., a wholly-owned subsidiary of Till Capital.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITY

Accounts payable and accrued liability comprise the following:

	March 31, 2019	December 31, 2018
Trade payables	\$ 110,215	\$ 108,792
Accrued liability	58,463	59,684
	\$ 168,678	\$ 168,476

6. RELATED PARTY TRANSACTIONS

Key management compensation

During the three months ended March 31, 2019, SPD incurred expenses of \$3,989 (three months ended March 31, 2018 - \$3,794) to its Chief Executive Officer as compensation for services received.

Other

Amounts paid to related parties were incurred in the normal course of business. SPD is party to service agreements with a subsidiary of Till Capital whereby SPD receives accounting and corporate communications services on a cost-plus recovery basis. During the three months ended March 31, 2019, SPD was charged \$19,943 (three months ended March 31, 2018 - \$11,315) for those services. At March 31, 2019, the amounts due to related parties totaled \$6,385 (December 31, 2018 - \$2,383) and are included in trade payables.

7. SHARE CAPITAL AND RESERVES

Authorized and issued share capital

An unlimited number of common shares without par value are authorized. At March 31, 2019 and December 31, 2018, SPD had 28,609,838 shares issued and outstanding.

Stock options

SPD has a Stock Option Plan to provide a performance incentive to directors, officers, employees, and consultants. The maximum number of shares issuable under the Stock Option Plan may not exceed 10% of the shares outstanding. The exercise period of the options may not exceed five years from the date of grant. The vesting period and the exercise price of options granted is determined by SPD's Board of Directors, and the exercise price cannot be less than the market price of SPD's shares on the date of grant.

During the three months ended March 31, 2019 and 2018, SPD recognized stock-based compensation expense of \$nil.

At March 31, 2019, SPD had 40,000 stock options outstanding with a weighted average exercise price of \$0.25.

8. SEGMENT INFORMATION

SPD operates in a single segment, which is the exploration and development of resource properties.

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Notes to the Interim Condensed Consolidated Financial Statements For the three months ended March 31, 2019 and 2018

9. FINANCIAL INSTRUMENTS

Financial instruments include any contract that gives rise to a financial asset to one party and a financial liability or equity instrument to another party. At March 31, 2019, SPD's carrying values of cash and cash equivalents, accounts receivable, and accounts payable approximate their fair values due to their short term to maturity.

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

All investments at March 31, 2019 and December 31, 2018 were Level 1.

10. FINANCIAL AND CAPITAL RISKS MANAGEMENT

There have been no changes to the financial and capital risks management since December 31, 2018. Details of financial and capital risks management can be found in Note 14 and Note 15 of the audited consolidated financial statements for the year ended December 31, 2018.

11. SUBSEQUENT EVENTS

Montego common shares

On April 23, 2019, trading of common shares of Montego was halted by the Investment Industry Regulatory Organization of Canada for Failure to Maintain Exchange Requirements. As of May 2, 2019, trading had not been resumed.

Taylor Property Agreement

SPD has delivered a letter to the board of directors of Montego noting that the payment on the Agreement due on April 20, 2019 has not been made, and the expenditures required to have been incurred by that date have not been made.

Without prejudice to any rights it has under the Agreement, SPD is attempting to negotiate with Montego an extension to the April 20, 2019 deadline.