



**Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2018 and 2017**

(Unaudited - 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 interim financial statements, they must be accompanied by a notice indicating that the consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of 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 interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Copper North Mining Corp.

Condensed Interim Consolidated Statements of Financial Position

As at

(Unaudited - Expressed in Canadian dollars)

	Note	March 31 2018	December 31 2017
		\$	\$
Assets			
Current			
Cash		18,658	230,484
Prepaid expenses		98,528	138,255
Accounts receivable		53,100	51,618
		170,286	420,357
Non-current			
Reclamation bonds	6	90,300	90,300
Exploration and evaluation assets	6	17,354,737	17,354,737
		17,615,323	17,865,394
Current Liabilities			
Accounts payable and accrued liabilities	8, 10	1,059,896	1,056,900
Shareholders' Equity			
Share capital	9	39,466,932	39,396,206
Contributed surplus		2,726,914	2,724,644
Deficit		(25,638,419)	(25,312,356)
		16,555,427	16,808,494
		17,615,323	17,865,394

Going concern – Note 2

Commitments – Notes 11

APPROVED BY THE DIRECTORS

“Bob McKnight” Director

“Harlan Meade” Director

Copper North Mining Corp.

Condensed Interim Consolidated Statements of Comprehensive Loss

Three months ended March 31, 2018 and 2017

(Unaudited - Expressed in Canadian dollars)

	Notes	2018	2017
		\$	\$
Exploration and evaluation expenses	7	96,247	50,258
Filing and regulatory fees		13,504	8,175
General administrative costs		25,200	12,400
Professional fees		15,601	19,078
Rent and utilities		23,165	29,093
Share-based payments	9, 10	2,270	147,854
Shareholder communication and travel		52,554	79,879
Wages and benefits	10	97,522	80,220
Loss and comprehensive loss		(326,063)	(426,957)
Loss per share			
- Basic and diluted		(0.00)	(0.02)
Weighted average number of shares outstanding			
- Basic and diluted		78,639,458	28,157,933

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

Copper North Mining Corp.

Condensed Interim Consolidated Statements of Cash Flows

Three months ended March 31, 2018 and 2017

(Unaudited - Expressed in Canadian dollars)

	2018	2017
	\$	\$
Cash flows (used in) provided by		
Operating activities		
Net loss	(326,063)	(426,957)
Items not affecting cash		
Share-based payments	2,270	147,854
Net change in non-cash working capital items		
Prepaid expenses	39,727	62,998
Accounts receivable	(1,482)	9,144
Accounts payable and accrued liabilities	2,996	(120,661)
	(282,552)	(327,622)
Financing activities		
Issuance of common shares and units	80,001	200,000
Share and unit issuance costs	(9,275)	(1,750)
	70,726	198,250
Investing activity		
Acquisition of exploration and evaluation assets	-	(25,000)
Decrease in cash	(211,826)	(154,372)
Cash, beginning of period	230,484	178,223
Cash, end of period	18,658	23,851

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Copper North Mining Corp.

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited - Expressed in Canadian dollars)

	Common shares number	Share Capital \$	Contributed surplus \$	Deficit \$	Total \$
Balance, December 31, 2016	27,326,473	36,450,151	2,269,913	(20,142,497)	18,577,567
Private placements					
Share and unit issuance	2,000,000	200,000	-	-	200,000
Share and unit issuance costs	-	(1,750)	-	-	(1,750)
Allocation of warrant value	-	(70,000)	70,000	-	-
Share-based payments	-	-	147,854	-	147,854
Loss and comprehensive loss	-	-	-	(426,957)	(426,957)
Balance, March 31, 2017	29,326,473	36,578,401	2,487,767	(20,569,454)	18,496,714
Private placements					
Share and unit issuance	48,931,500	2,993,140	-	-	2,993,140
Share and unit issuance costs	-	(180,835)	17,600	-	(163,235)
Allocation of warrant value	-	(2,500)	2,500	-	-
Shares issued for mineral property	100,000	8,000	-	-	8,000
Share-based payments	-	-	216,777	-	216,777
Loss and comprehensive loss	-	-	-	(4,742,902)	(4,742,902)
Balance, December 31, 2017	78,357,973	39,396,206	2,724,644	(25,312,356)	16,808,494
Private placements					
Share and unit issuance	1,333,349	80,001	-	-	80,001
Share and unit issuance costs	-	(9,275)	-	-	(9,275)
Share-based payment	-	-	2,270	-	2,270
Comprehensive loss	-	-	-	(326,063)	(326,063)
Balance, March 31, 2018	79,691,322	39,466,932	2,726,914	(25,638,419)	16,555,427

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

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2018 and 2017

(Unaudited - Expressed in Canadian dollars)

1. Nature of operations

Copper North Mining Corp. (together with its subsidiaries, "Copper North" or the "Company") was incorporated in British Columbia, Canada on August 3, 2011 and is directly engaged in the exploration and development of mineral properties in Canada.

Copper North began trading on the TSX Venture Exchange on October 24, 2011. The Company's head office is located at 1120 – 1095 West Pender Street, Vancouver, BC.

2. Going concern

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

At March 31, 2018, the Company had working capital deficit of \$889,610, has not yet achieved profitable operations, and had an accumulated deficit of \$25,638,419 which indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to develop its mineral property interests and to meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. As part of its ongoing strategic plan the Company is exploring financing opportunities including equity financings and strategic partner arrangements. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

3. Basis of presentation

These condensed interim consolidated financial statements for the three months ended March 31, 2018 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company's December 31, 2017 annual consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). The condensed interim consolidated financial statements have been prepared under the historical cost convention.

These financial statements were approved by the board of directors on May 30, 2018.

The condensed interim consolidated financial statements have been prepared using accounting policies consistent with those used in the Company's December 31, 2017 annual audited consolidated financial statements.

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2018 and 2017

(Unaudited - Expressed in Canadian dollars)

4. Accounting changes and recent pronouncements

a) New and amended standard adopted by the Company

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments bringing 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 two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and derecognition of financial instruments. The mandatory effective date of IFRS 9 was January 1, 2018. The adoption of this standard did not have a material measurement or disclosure impact on the Company's financial statements

b) New standards and interpretations not yet adopted

IFRS 16, *Leases*, replaces IAS17-*Leases* and requires lessees to account for leases on the statement of financial position by recognizing a right to use asset and lease liability. The mandatory effective date is for annual periods beginning on or after January 1, 2019.

5. Critical accounting estimates and judgments

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's December 31, 2017 annual consolidated financial statements.

6. Exploration and evaluation assets

	Carmacks	Redstone	Thor	Total
	\$	\$	\$	\$
Balance, December 31, 2016	17,143,325	2,000,000	178,412	19,321,737
Additions - cash	-	-	25,000	25,000
Additions – common shares	-	-	8,000	8,000
Impairment	-	(2,000,000)	-	(2,000,000)
Balance, December 31, 2017 and March 31, 2018	17,143,325	-	211,412	17,354,737

a) Carmacks (Yukon, Canada)

The Company owns 100% of the Carmacks Project, an oxide copper, gold, and silver deposit located in Yukon, Canada.

Any production from the Carmacks Project is subject to either a 15% net profits interest or a 3% net smelter return royalty, at Copper North's election. If Copper North elects to pay the net smelter return royalty, it has the right to purchase the royalty for \$2.5 million, less any advance royalty payments made to that date.

At March 31, 2018, \$1.5 million has been paid in advance royalty payments. The Company is required to make an advance royalty payment of \$100,000 in any year in which the average daily copper price reported by the London Metal Exchange is US\$1.10 per pound or greater.

The Company holds a Guaranteed Investment Certificate in the amount of \$80,300 in safekeeping for the Yukon Government. This amount represents the estimated reclamation cost for the work performed to date on the property.

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2018 and 2017

(Unaudited - Expressed in Canadian dollars)

b) Thor (British Columbia, Canada)

The Thor property is located south of the Kemess South mine-mill complex in North Central British Columbia.

During 2014, Copper North entered into an acquisition agreement with Electrum Resource Corporation ("Electrum"). Pursuant to the acquisition agreement, the Company will earn 100% interest in the Thor property by making certain payments and incurring certain exploration expenditures. If the Company fails to make a scheduled payment of cash or common shares, it will retain no interest in the Thor property.

On September 6, 2017 Copper North amended certain terms of its acquisition agreement with Electrum. The terms of the agreement subsequent to the amendment are as follows:

Payment – Cash	Date	Status
\$25,000	July 8, 2014	Completed
\$50,000	June 27, 2015	Completed
\$50,000	August 1, 2016	Completed
\$100,000	October 1, 2017	Deferred*
\$100,000	October 1, 2018	-
\$100,000	October 1, 2019	-
\$100,000	October 1, 2020	-

*The Company has communicated with Electrum to delay the October 1, 2017 payment under the amended agreement and no default notice has been issued.

Payment – Common Shares	Date	Status
100,000	July 8, 2014	Completed
100,000	June 27, 2016	Completed
100,000	June 27, 2017	Completed
200,000	October 1, 2018	-
200,000	October 1, 2019	-

Cumulative Exploration Expenditures	Date	Status
\$200,000	June 27, 2015	Completed
\$700,000	October 1, 2016	Completed
\$1,500,000	October 1, 2018	-
\$2,500,000	October 1, 2019	-
\$3,500,000	October 1, 2020	-
\$5,000,000	October 1, 2021	-

In addition, Electrum will receive a 2% net smelter return royalty to a maximum of \$5 million. The Company agrees to pay an advanced royalty payment of \$1 million at each of the seventh, eighth, ninth, tenth and eleventh anniversaries of the acquisition agreement (which is, respectively, in 2021, 2022, 2023, 2024 and 2025) if commercial production is not attained in respect of the Thor Property before those dates. Advance royalty payments are deductible from the maximum amount payable pursuant to the net smelter return royalty.

A deposit of \$10,000 is held by the Government of British Columbia to cover reclamation costs for the work performed to date on the property.

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited - Expressed in Canadian dollars)

c) Redstone (Northwest Territories, Canada)

Copper North owns 100% of the Redstone property. The Redstone property comprises mining leases and mineral claims in the western part of the Northwest Territories.

Should production be achieved on the mining leases, the mining leases are subject to a net smelter return royalty of between 3% and 4% depending on the monthly average of the final daily spot price of copper reported on the New York Commodities Exchange relating to each production month, as follows:

- 3% if the price is less than, or equal to US\$0.75 per pound;
- 3.5% if the price is greater than US\$0.75 per pound, but less than or equal to US\$1.00 per pound; and
- 4% if the price is greater than US\$1.00 per pound.

During the year ended December 31, 2017, an impairment write down of \$2,000,000 was taken to reduce the Redstone property's carrying value of \$Nil as the Company has no plans for the property in the near future.

7. Exploration and evaluation expenditures

During the three months ended March 31, 2018, the Company incurred the following exploration expenditures, which were expensed as incurred:

	Carmacks	Redstone	Thor	Total
	\$	\$	\$	\$
Claims maintenance	8,330	-	-	8,330
Engineering studies	36,644	-	-	36,644
Exploration and camp support	10,262	-	1,011	11,273
Salary and wages	38,000	2,000	-	40,000
	93,236	2,000	1,011	96,247

During the three months ended March 31, 2017, the Company incurred the following exploration expenditures, which were expensed as incurred:

	Carmacks	Redstone	Thor	Total
	\$	\$	\$	\$
Engineering studies	900	-	-	900
Exploration and camp support	12,235	450	6,369	19,054
Permitting	7,604	-	-	7,604
Recovery	(17,225)	(75)	-	(17,300)
Salary and wages	36,000	2,000	2,000	40,000
	39,514	2,375	8,369	50,258

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2018 and 2017

(Unaudited - Expressed in Canadian dollars)

8. Accounts payable and accrued liabilities

	March 31, 2018	December 31, 2017
	\$	\$
Accounts payables and accrued liabilities	716,996	772,680
Related party payables	342,900	284,220
	1,059,896	1,056,900

9. Share capital

a) Authorized

Unlimited common shares without par value

b) Financings

On March 13, 2018, the Company issued 1,333,349 common shares at a price of \$0.06 for gross proceeds of \$80,801. The Company incurred share issuance costs of \$9,275 with respect to this financing.

c) Stock options

The balance of options outstanding and related information for the three months ended March 31, 2018 is as follows:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2016	1,220,500	\$0.57	3.43
Granted	4,400,000	\$0.09	
Expired	(356,500)	\$0.74	
Balance, December 31, 2017	5,264,000	\$0.16	4.16
Expired	(271,000)	\$0.16	
Balance, March 31, 2018	4,993,000	\$0.16	3.91
Unvested	(45,000)	\$0.20	3.34
Exercisable, March 31, 2018	4,948,000	\$0.16	3.90

During the three months ended March 31, 2018 the Company recorded share-based payments expense of \$2,270 arising from the vesting of options granted in prior periods. During the three months ended March 31, 2017 the Company recorded share-based payments expense of \$147,854 arising from options that vested fully on grant during the period.

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2018 and 2017

(Unaudited - Expressed in Canadian dollars)

The balance of options outstanding as at March 31, 2018 was as follows:

Stock options outstanding, by exercise price	Number of Stock options	Average remaining contractual life (years)
\$0.085 – \$0.20	4,310,000	4.21
\$0.50 – \$0.60	648,000	2.12
\$0.70 – \$0.80	35,000	1.28
	4,993,000	3.90

d) Share purchase warrants

The balance of warrants outstanding and related information for the three months ended March 31, 2018 is as follows:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2016	8,645,490	\$0.43	1.78
Issued	2,488,460	\$0.14	
Expired	(1,930,282)	\$0.77	
Balance, December 31, 2017 and March 31, 2018	9,203,668	\$0.28	1.17

The balance of warrants outstanding as at March 31, 2018 was as follows:

Warrants outstanding, by exercise price	Number of warrants	Average remaining contractual life (year)
\$0.06	346,720	1.57
\$0.12	61,740	1.75
\$0.15	2,080,000	1.89
\$0.16	169,310	0.75
\$0.25	4,293,332	0.32
\$0.50	2,252,566	2.09
	9,203,668	1.17

10. Related party transactions

Compensation paid or payable to its directors and officers, who are the key management of the Company for services provided or earned during the three months ended March 31, 2018 and 2017 was as follows:

	2018	2017
	\$	\$
Salaries and director fees	112,000	100,000
Professional fees	3,060	6,840
Share-based payments	542	116,627

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2018 and 2017

(Unaudited - Expressed in Canadian dollars)

115,602 **223,467**

Included in accounts payable and accrued liabilities as at March 31 2018 was \$342,900 (December 31 2017 - \$284,220) due to directors and officers of the Company. The amounts due to related parties are non-interest bearing and payable on demand.

Certain current and former officers and directors have agreed to defer some, or all, of their salary. The Company has accrued these wages in the condensed interim consolidated statement of loss and comprehensive loss. During the three months ended March 31, 2018, the Company accrued \$50,000 (2017 - \$83,333) in wages to officers and \$12,000 in directors' fees (2017 - \$nil).

11. Commitments

In addition to any commitments relating to exploration and evaluation assets (Note 6), the Company has an agreement to lease its head office space until May 31, 2020. The Company has the option to terminate the lease without penalty by providing the lessor 90 days' notice. The annual lease commitment is as follows:

Fiscal year ended December 31, 2018	\$68,226
Fiscal year ended December 31, 2019	\$90,967
Fiscal year ended December 31, 2020	\$37,903

The Company must spend \$64,605 on qualifying Canadian exploration expenditures by December 31, 2018. Otherwise, it will be required to pay the investors who purchased flow-through shares the difference between the amount of tax benefit that they would have realized had the Company incurred all expenditures and the amount that the investors actually realized.