



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

(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 2019	December 31 2018
		\$	\$
Assets			
Current			
Cash		2,146	192,622
Prepaid expenses		36,801	29,833
Accounts receivable		4,879	2,637
Assets held for sale	6,14	545,329	-
		589,155	225,092
Non-current			
Reclamation bonds	7	90,300	90,300
Exploration and evaluation assets	7	17,143,325	17,143,325
		17,822,780	17,458,717
Current Liabilities			
Accounts payable and accrued liabilities	10	1,282,398	1,606,422
Advanced sale consideration	6	260,000	-
		1,542,398	1,606,422
Shareholders' Equity			
Share capital	9	39,673,952	39,673,952
Contributed surplus		2,849,404	2,849,404
Deficit		(26,242,974)	(26,671,061)
		16,280,382	15,852,295
		17,822,780	17,458,717

Going concern – Note 2

Commitments – Note 12

Subsequent event – Note 14

APPROVED BY THE DIRECTORS

“Bob McKnight” Director

“Lorne Anderson” Director

Copper North Mining Corp.

Condensed Interim Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss)

Three months ended March 31, 2019 and 2018

(Unaudited - Expressed in Canadian dollars)

	Notes	2019	2018
		\$	\$
Exploration and evaluation expenses	8	-	96,247
Filing and regulatory fees		6,261	13,504
General administrative costs		5,053	25,200
Professional fees		20,950	15,601
Rent and utilities		23,525	23,165
Share-based payments	9,10	-	2,270
Shareholder communication and travel		34,476	52,554
Wages and benefits	10	56,648	97,522
		(146,913)	(326,063)
Reversal of impairment of exploration and evaluation asset	7	575,000	-
Earnings (Loss) and comprehensive earnings (loss)		428,087	(326,063)
Earnings (Loss) per share			
- Basic and diluted		0.00	(0.00)
Weighted average number of shares outstanding			
- Basic and diluted		85,900,413	78,639,458

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, 2019 and 2018

(Unaudited - Expressed in Canadian dollars)

	2019	2018
	\$	\$
Cash flows (used in) provided by		
Operating activities		
Net earnings (loss)	428,087	(326,063)
Items not affecting cash		
Reversal of impairment on exploration and evaluation asset	(575,000)	-
Share-based payments	-	2,270
	(146,913)	(323,793)
Net change in non-cash working capital items		
Prepaid expenses	(6,968)	39,727
Accounts receivable	(2,242)	(1,482)
Accounts payable and accrued liabilities	(324,024)	2,996
	(480,147)	(282,552)
Financing activities		
Issuance of common shares and units	-	80,001
Share and unit issuance costs	-	(9,275)
	-	70,726
Investing activity		
Advanced sale consideration	260,000	-
Non-refundable sale consideration	30,000	-
Transfer to assets held for sale	(329)	-
	289,671	-
Change in cash	(190,476)	(211,826)
Cash, beginning of period	192,622	230,484
Cash, end of period	2,146	18,658

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

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, 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
Loss and 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
Private placements					
Share and unit issuance	6,109,091	326,000	-	-	326,000
Share and unit issuance costs	-	(13,180)	-	-	(13,180)
Allocation of warrant value	-	(110,800)	110,800	-	-
Shares issued for exploration and evaluation asset	100,000	5,000	-	-	5,000
Share-based payment	-	-	11,690	-	11,690
Loss and comprehensive loss	-	-	-	(1,032,642)	(1,032,642)
Balance, December 31, 2018	85,900,413	39,673,952	2,849,404	(26,671,061)	15,852,295
Earnings (loss) and comprehensive earnings (loss)	-	-	-	428,087	428,087
Balance, March 31, 2019	85,900,413	39,673,952	2,849,404	(26,242,974)	16,280,382

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, 2019 and 2018

(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.

At March 31, 2019, the Company had a working capital deficit of \$953,243 (as at December 31, 2018 \$1,381,330) and has not yet achieved profitable operations and had an accumulated deficit of \$26,242,974 (as at December 31, 2018 \$26,671,061). These factors indicate the existence of a material uncertainty that casts 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, strategic partner arrangements and disposal of assets (see note 14).

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. 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.

3. Basis of presentation

These condensed interim consolidated financial statements for the three months ended March 31, 2019 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, 2018 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 condensed interim consolidated financial statements were approved by the board of directors on May 30, 2019.

The condensed interim consolidated financial statements have been prepared using accounting policies consistent with those used in the Company's December 31, 2018 annual audited consolidated financial statements except as disclosed in Note 4.

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2019 and 2018

(Unaudited - Expressed in Canadian dollars)

4. Accounting standards adopted

IFRS 16, Leases

The new standard eliminates the classification of leases as either operating or finance leases for a lessee. Instead all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments. The principles in IFRS 16 provide a more consistent approach to acquiring the use of an asset whether by leasing or purchasing an asset. The new standard was adopted on January 1, 2019. The Company's lease agreements are disclosed in note 12 and are classified as short term due to a termination clause, therefore having no impact on opening balances upon adoption. The lease will continue to be recognised through the statement of loss and comprehensive loss.

5. Critical accounting estimates and judgments

The preparation of these condensed interim consolidated financial statements requires estimates and assumptions that affect the amounts reported in these consolidated financial statements. Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, going concern, impairment of mineral property interests and mineral property title.

a) Going Concern

The assessment by management of the Company's liquidity position and whether going concern disclosure is required in the financial statements.

As part of this process, management prepares cash flow budgets detailing expected expenditures for at least the next twelve months. The assessment of the Company's liquidity position takes into account the Company's working capital position, the timing of discretionary and non-discretionary expenditures and also the status of any potential equity financings

b) Impairment of exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets does not necessarily represent present or future values, and these assets have been accounted for under the assumption that the carrying value will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and future profitable production or proceeds from the disposition of the exploration and evaluation assets themselves.

Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

Management reviewed exploration and evaluation assets for the three months ended March 31, 2019 and noted no impairment indicators on the Carmacks property.

During the three months ended March 31, 2019 the Company received an offer for the sale of the Company's wholly owned subsidiary Redbed Resources Corp ("Redbed") which holds the Redstone property. The offer was for cash consideration of \$575,000. In previous years the Redstone property was impaired down to a \$nil carrying value. As at March 31, 2019

Copper North Mining Corp.

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

(Unaudited - Expressed in Canadian dollars)

Management reversed the impairment charge on the Redstone property up to an estimated recoverable amount of \$575,000.

6. Sale of subsidiary

On January 23, 2019 the Company received an offer for the sale of Redbed, a wholly owned subsidiary that holds the Redstone property. The Redstone property comprises mining leases and mineral claims in the western part of the Northwest Territories.

The offer was for a total purchase price of \$575,000, to be paid as follows:

- A non-refundable deposit of \$30,000, payable immediately to secure the exclusive right to purchase Redbed (*received*)
- A first instalment of \$260,000, payable on or before February 1, 2019 (*received*)
- A second instalment of \$260,000, payable on closing of the sale; and
- Payment of \$25,000 on transfer of current Land Use Permit to the purchase

The sale closed subsequent to March 31, 2019. (Refer to Note 14)

As at March 31, 2019 Redbed met the criteria for assets held for sale under IFRS 5. The Company measured the assets of Redbed at the lower of their carrying value and their fair value less cost to sell ("FVLCS"). The estimated consideration on sale was used as the basis for determining the fair value.

The assets of Redbed being disposed of and included in assets held for sale are as follows:

	March 31, 2019
	\$
Current Assets	
Cash	329
Exploration and evaluation asset	575,000
Non-refundable deposit received	(30,000)
Assets classified as held for sale	545,329

7. Exploration and evaluation assets

	Carmacks	Redstone	Thor	Total
	\$	\$	\$	\$
Balance, December 31, 2018	17,143,325	-	-	17,143,325
Reversal of impairment	-	575,000	-	575,000
Transfer to assets held for sale	-	(575,000)	-	(575,000)
Balance, March 31, 2019	17,143,325	-	-	17,143,325

a) Carmacks (Yukon, Canada)

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

Copper North Mining Corp.

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

(Unaudited - Expressed in Canadian dollars)

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 December 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.

b) Other

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 Thor property.

8. Exploration and evaluation expenditures

There were no exploration expenditures during the three months ended March 31, 2019.

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

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 \$80,001. The Company incurred share issuance costs of \$9,275.

Copper North Mining Corp.

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

(Unaudited - Expressed in Canadian dollars)

c) Stock options

The balance of options outstanding and related information for the three months ended March 31, 2019 are as follows:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2017	5,264,000	\$0.16	4.16
Granted	250,000	\$0.05	
Expired	(831,500)	\$0.16	
Balance, December 31, 2018	4,682,500	\$0.15	3.24
Expired	(20,000)	\$0.80	
Balance, March 31, 2019	4,662,500	\$0.15	3.01

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.

The balance of options outstanding as at March 31, 2019 was as follows:

Stock options outstanding, by exercise price	Number of Stock options	Average remaining contractual life (years)
\$0.05 – \$0.085	2,575,000	3.56
\$0.10 - \$0.20	1,505,000	2.81
\$0.50 – \$0.60	567,500	1.11
\$0.70 – \$0.80	15,000	0.77
	4,662,500	3.01

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2019 and 2018

(Unaudited - Expressed in Canadian dollars)

Share purchase warrants

The balance of warrants outstanding and related information for the three months ended March 31, 2019 is as follows:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2017	9,203,668	\$0.28	1.42
Issued	6,109,091	\$0.08	
Expired	(4,916,808)	\$0.27	
Balance, December 31, 2018	10,395,951	\$0.17	2.64
Balance, March 31, 2019	10,395,951	\$0.17	2.40

The balance of warrants outstanding as at March 31, 2019 was as follows:

Warrants outstanding, by exercise price	Number of warrants	Average remaining contractual life (year)
\$0.05	2,000,000	4.36
\$0.06	346,720	0.57
\$0.10	4,109,091	2.73
\$0.12	61,740	0.75
\$0.15	2,080,000	0.89
\$0.50	1,798,400	1.62
	10,395,951	

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, 2019 and 2018 was as follows:

	2019	2018
	\$	\$
Salaries and director fees	52,000	112,000
Professional fees	3,615	3,060
Share-based payments	-	542
	55,615	115,602

Included in accounts payable and accrued liabilities as at March 31, 2019 was \$724,233 (December 31, 2018 - \$697,072) due to directors and officers of the Company. The amounts due to related parties are non-interest bearing and payable on demand.

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, 2019, the Company accrued \$40,000 (2018 - \$50,000) in wages to officers and \$12,000 in directors' fees (2018 - \$12,000).

Copper North Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2019 and 2018

(Unaudited - Expressed in Canadian dollars)

11. Segmented information

The Company's operations are limited to a single reportable segment, being mineral exploration and development. All assets are held in Canada.

12. Commitments

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, 2019	\$90,967
Fiscal year ended December 31, 2020	\$43,220

13. Financial instruments

The Company's financial instruments consist of cash, accounts receivable, reclamation bond and accounts payable and accrued liabilities and are all designated as amortized cost. The fair value of cash, accounts receivable and reclamation bond approximates their carrying amount due to their short term to maturity. The fair value of accounts payable may be less than carrying value as a result of the Company's credit and liquidity risk (see Note 2).

The risks associated with financial assets and liabilities have not changed since December 31, 2018.

14. Subsequent event

On April 12, 2019, the Company completed the Share Purchase Agreement (the "Share Agreement") and sold all of the issued and outstanding shares in the capital of Redbed, a wholly-owned subsidiary of the Company which holds 100% of the Redstone property. In accordance with the terms of the Share Agreement, the Company received a total of \$575,000 in cash consideration, of which \$290,000 was received prior to March 31, 2019.