FireFox Gold Corp.

(formerly Silverstone Resources Corp.)

Financial Statements

For the period from incorporation
on June 16, 2017 to September 30, 2017
(Expressed in Canadian dollars)

FireFox Gold Corp. (formerly Silverstone Resources Corp.)

Statement of Financial Position

As at September 30, 2017

(Expressed in Canadian Dollars)

	$
Asset	
Current asset	
Cash	151
Accounts receivable	3,734
	3,885
Mineral property acquisition costs (Note 3)	600
	4,485
Liabilities	
Current liabilities	
Accounts payable	324,935
Accrued liabilities	8,925
	333,860
Shareholders' equity	
Share capital (Note 4)	751
Deficit	(330,126)
	(329,375)
	4,485

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

GOING CONCERN (Note 1)

These financial statements were approved for issue by the Board of Directors on September 30, 2017 and are signed on its behalf by:

"Carl Löfberg", **Director** *"Patrick Highsmith"*, **Director**

FireFox Gold Corp. (formerly Silverstone Resources Corp.)

Statement of Changes in Equity

Period from incorporation on June 16, 2017 to September 30, 2017

(Expressed in Canadian Dollars)

		Share capital		
	Deficit	Number of shares	Amount $	Shareholders' equity $
Balance at June 16, 2017		-	-	-
Issuance of common shares (Note 6)		13,913,010	751	751
Net loss for the period	(330,126)	-	-	(330,126)
Balance at September 30, 2017	(330,126)	13,913,010	751	(329,375)

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

FireFox Gold Corp. (formerly Silverstone Resources Corp.)

Statement of Loss and Comprehensive Loss

Period from incorporation on June 16, 2017 to September 30, 2017

and from June 30, 2017 to September 30, 2017

(Expressed in Canadian Dollars)

	$
Expenses	
Mineral property exploration costs	260,000
Accounting	9,500
Audit	9,464
Filing and listing fees	2,317
Legal	45,000
Shareholder communications	3,845
Net loss and comprehensive loss	(330,126)
Loss per share	$(0.03)
Weighted average number of shares	10,526,525

Expense figures for both periods are identical.

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

FireFox Gold Corp. (formerly Silverstone Resources Corp.)

Statement of Cash Flows

Period from incorporation on June 16, 2017 to September 30, 2017

(Expressed in Canadian Dollars)

	$
Cash flows from operating activities	
Loss for the period	(330,126)
Changes in non-cash working capital:	
Accounts receivable	(3,734)
Accounts payable	64,935
Accrued liabilities	268,925
	-
Cash flows from financing activity	
Issuance of common shares	151
Increase in cash during the period, being cash, end of period	151

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

Supplemental non-cash information:	
Issuance of common shares for mineral property	600

1. **Nature of operations and going concern**

FireFox Gold Corp. (the "Company", or "FireFox") was incorporated under the *Business Corporations Act* (British Columbia) on June 16, 2017, and its registered place of business is located at 605 - 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3, Canada. The Company's principal business activity is the exploration of mineral properties. FireFox is in the exploration stage with respect to its mineral property interests and has not, as yet, achieved commercial production.

The Company had not commenced operations at June 30th, 2017. As a result the statements of comprehensive income for the three-months-ended September 30, 2017 and the year-to-date periods are identical.

The condensed consolidated interim financial statements were prepared on a going concern basis with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has limited cash resources, has incurred significant operating losses, is expected to have negative cash flows from operations in the near future, and will require additional funding in order to continue operations. While the Company has been successful in obtaining funding subsequent to September 30, 2017 (Note 6), through the issuance of additional equity, there is no assurance that such funding will be available in the future. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company is dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of exploration projects and, ultimately, the Company's ability to continue as a going concern, is dependent upon the existence and economic recovery of reserves, the ability to raise financing to complete the exploration and development of the properties, and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis, all of which are uncertain. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. **Summary of significant accounting policies**

Basis of compliance
These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting, are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and are consistent with interpretations by the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements have been prepared using the accounting policies as set out in the audited annual financial statements for the year ended December 31, 2016, with the adoption of updated policies described later in Note 2. The disclosures which follow do not include all disclosures required for the annual financial statements.

Basis of measurement
The financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value.

Income taxes
Deferred income taxes are provided in full, using the liability method, on temporary differences arising between the income tax bases of assets and liabilities and their carrying amounts in the financial statements.

2. **Summary of significant accounting policies** - continued

Income taxes - continued

Deferred income taxes are determined using income tax rates and income tax laws that have been enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized.

Financial instruments

Financial assets
All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables and at fair value through profit or loss.

Financial assets classified as fair value through profit or loss are measured at fair value with unrealized gains and losses recognized in comprehensive income (loss). Cash is classified as fair value through profit or loss ("FVTPL").

Financial assets classified as loans and receivables and held to maturity are measured at amortized cost.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary.

Transaction costs associated with financial assets at fair value through profit or loss are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial liabilities
All financial liabilities are initially recorded at fair value and designated upon inception as fair value through profit or loss or other financial liabilities.

Financial liabilities classified as other financial liabilities are measured at amortized cost.

Financial liabilities classified as FVTPL are measured at fair value with unrealized gains and losses recognized in comprehensive income (loss).

Share capital
Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

New standards and interpretations not yet adopted
The following is an overview of accounting standard changes that the Company will be required to adopt in future years. The Company does not expect to adopt any of these standards before their effective dates. The Company continues to evaluate the impact of these standards on its financial statements.

2. **Summary of significant accounting policies** - continued

New standards and interpretations not yet adopted - continued

(a) IFRS 9 - *Financial Instruments*. This standard partially replaces IAS 39 - *Financial Instruments: Recognition and Measurement*. IFRS 9 measures financial assets, after initial recognition, at either amortized cost or fair value. Existing IAS 39 classifies financial assets into four measurement categories. The standard is effective for annual periods beginning on or after January 1, 2018. In the year of adoption, the Company is required to provide additional disclosures relating to the reclassified financial assets and liabilities. The Company may, but is not required to, apply the standard retroactively. In and after the year of adoption, certain disclosures relating to financial assets will change to conform to the new categories.

(b) IFRS 15 - *Revenue from Contracts with Customers*. The standard is effective for annual periods beginning on or after January 1, 2018. IFRS 15 specifies how and when to recognize revenue as well as requires entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 - *Revenue*, IAS 11 - *Construction Contracts*, and a number of revenue-related interpretations. The new standard will apply to nearly all contracts with customers; the main exceptions are leases, financial instruments and insurance contracts.

(c) IFRS 16 - *Leases.* This standard specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019.

3. **Mineral property exploration costs**

On August 1, 2017 FireFox announced an agreement with Magnus Minerals Ltd. ("Magnus"), a company incorporated under the laws of Finland, whereby Magnus has granted FireFox an exclusive right and option to earn and acquire a 100% interest in each of the Riikonkoski (East and West), Jeesiö (including Jeesiö West) and Ylöjärvi (including Oks) projects (the "Projects"), which are located in Finland and currently owned by Magnus (the "Option").

Pursuant to the Option Agreement, FireFox is required to (among other things):
(i) issue 6,000,000 common shares to Magnus (issued);
(ii) incur and fund $2.5M in exploration expenditures on the Projects as follows:
  a. $300,000 by August 31, 2018 ($260,000 spent at Sept 30, 2017);
  b. $600,000 by August 31, 2019; and
  c. $1,600,000 by August 31, 2020;
(iii) grant Magnus a 1.5% net smelter return royalty (the "NSR"), which may be reduced to 1% by the payment to Magnus of 1,000 troy ounces of gold within 90 days of publishing a positive feasibility study; and
(iv) make an aggregate amount of $250,000 in cash payments to Magnus as follows:
  a. $30,000 by August 31, 2018;
  b. $60,000 by August 31, 2019; and
  c. $160,000 by August 31, 2020.

The Option Agreement also provides that if FireFox exercises the Option, FireFox will be obligated to pay Magnus an additional payment equal to the value of 1,000 troy ounces of gold, within 12 months of the commencement of commercial production. Pursuant to the Option Agreement, Magnus has agreed to provide mineral exploration services to FireFox. At any time, FireFox may elect to stop making payments under the Option Agreement, which would result in the termination of the Option Agreement. Upon termination of the Option Agreement, FireFox would forego all of its rights to the Projects and any payments (including the issuance of shares) already made to Magnus or expended on the Projects.

Carl Löfberg, Managing Director of Magnus, is also a director and the President and CEO of FireFox (Note 6).

(Expressed in Canadian dollars)

4. **Share capital**

(a) **Authorized**

The Company's authorized share capital consists of an unlimited number of common shares without par value.

(b) **Reconciliation of changes in share capital**

During the period ended September 30, 2017, the Company issued 7,911,431 common shares for cash of $ 751.

In addition, the Company issued 6,000,000 common shares to Magnus under the option agreement for Riikonkoski, Jeesiö and Ylöjärvi (Note 3).

5. **Financial instruments**

Categories of financial assets and financial liabilities
Financial instruments are classified into one of the following five categories: fair value through profit or loss ("FVTPL"); held-to-maturity investments; loans and receivables; available-for-sale; and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial instrument	Category	September 30, 2017 $
Cash	FVTPL	151
Accounts receivable	loans and receivables	3,734
Accounts payable	other financial liabilities	324,935
Accrued liabilities	other financial liabilities	8,925

6. **Related party transactions**

Carl Löfberg, a director and the President and CEO of the Company is Managing Director of Magnus (Note 3).

Directors participated in a private placement which was a subsequent event (Note 7).

7. **Subsequent events**

Subsequent to September 30, 2017:

On October 2, 2017 the Company issued 1,200,000 shares to two directors for proceeds of $120.

On November 3, 2017 the Company issued 3,815,669 common shares for gross proceeds of $1,144,700.

On November 9, 2017 the Company issued 1,121,168 common shares for gross proceeds of $336,350.

No finder's fees were payable on any of the three share-issuances in October and November 2017.