ROSCAN MINERALS CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended January 31, 2017

(unaudited)

EXPRESSED IN CANADIAN DOLLARS

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Roscan Minerals Corporation (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor, Collins Barrow - Toronto LLP, has not performed a review of these unaudited condensed interim consolidated financial statements, in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim consolidated financial statements by an entity's auditor.

ROSCAN MINERALS CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(expressed in Canadian dollars)

		January 31 2017		October 31 2016
		(unaudited)		*(audited)*
ASSETS				
Current				
Cash	**$**	**582**	$	2,269
Sales tax receivable		**2,327**		1,423
Prepaid expenses		**833**		833
	$	**3,742**	$	4,525
LIABILITIES				
Current				
Accounts payable and accrued liabilities (note 7)	**$**	**183,076**	$	169,706
Loans due to related party (notes 7, 12)		**78,000**		67,000
		261,076		236,706
EQUITY				
Share capital (note 4)		**7,126,207**		7,126,207
Contributed surplus		**458,131**		453,081
Deficit		**(7,841,672)**		(7,811,469)
		(257,334)		(232,181)
	$	**3,742**	$	4,525

Nature of operations and going concern (note 1)
Subsequent events (note 12)

See accompanying notes.

ROSCAN MINERALS CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(unaudited, expressed in Canadian dollars)

Three months ended January 31,	**2017**	2016
Expenses		
Corporate and administrative (notes 5, 7)	**15,149**	15,875
Exploration and evaluation (notes 6, 12)	**10,000**	-
Share-based payments (notes 4, 7)	**5,050**	-
Foreign exchange loss (gain)	**4**	(41)
	30,203	15,834
Net loss and comprehensive loss	**$ (30,203)**	$ (15,834)
Basic and diluted loss per share (note 9)	**$ 0.000**	$ 0.000
Weighted average number of common shares outstanding: Basic and diluted	**33,766,073**	33,766,073

See accompanying notes.

ROSCAN MINERALS CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(unaudited, expressed in Canadian dollars)

	Share capital								
	Number of shares		Amount		Contributed surplus		Deficit		Total
Balance, October 31, 2015	33,766,073	$	7,126,207	$	453,081	$	(7,721,068)	$	(141,780)
Net loss for the period	-		-		-		(15,834)		(15,834)
Balance, January 31, 2016	33,766,073		7,126,207		453,081		(7,736,902)		(157,614)
Net loss for the period	-		-		-		(74,567)		(74,567)
Balance, October 31, 2016	33,766,073		7,126,207		453,081		(7,811,469)		(232,181)
Net loss for the period	-		-		-		(30,203)		(30,203)
Share-based payments (notes 4, 7)	-		-		5,050		-		5,050
Balance, January 31, 2017	**33,766,073**	**$**	**7,126,207**	**$**	**458,131**	**$**	**(7,841,672)**	**$**	**(257,334)**

See accompanying notes.

ROSCAN MINERALS CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, expressed in Canadian dollars)

Three months ended January 31,		**2017**		2016
Operating activities				
Loss for the period	**$**	**(30,203)**	$	(15,834)
Adjustments to reconcile loss to net cash used in operating activities:				
Share-based payments (notes 4,7)		**5,050**		-
		(25,153)		(15,834)
Changes in non-cash working capital items				
Sales tax receivable		**(904)**		(1,424)
Accounts payable and accrued liabilities		**13,370**		12,572
		(12,687)		(4,686)
Financing activities				
Loans from related party (note 7)		**11,000**		3,000
		11,000		3,000
Net change in cash		**(1,687)**		(1,686)
Cash, beginning of period		**2,269**		3,917
Cash, end of period	**$**	**582**	$	2,231

See accompanying notes.

1. NATURE OF OPERATIONS AND GOING CONCERN

RosCan Minerals Corporation (the "Company") is an exploration stage company involved in the business of acquiring, exploring and developing mineral properties. The Company holds an option to participate in a gold exploration project in Ghana (note 6). The Company's shares are listed on the NEX board of the TSX Venture Exchange. The address of the Company's registered office is 365 Bay St., Suite 400, Toronto, Ontario, M5H 2V1.

Going Concern

The business of exploration, development and mining of minerals involves a high degree of risk and there can be no assurances that future exploration activities will result in the discovery of economically recoverable mineral deposits. Further funds will be required for the Company to continue meet its obligations and participate in the acquisition and exploration of mineral properties. The Company does not have a regular source of cash flow and has not produced revenues from its exploration activities.

At January 31, 2017, the Company had a working capital deficiency of $257,334 (October 31, 2016 - $232,181) and has incurred losses of $7,841,672 (October 31, 2016 - $7,811,469) since inception.

The success and continuation of the Company as a going concern is dependent upon the Company's ability to arrange additional financing, which in part, depends on prevailing market conditions, acquiring economically viable mineral properties and exploration success. There can be no assurances that the Company will be able to obtain sufficient financing in the future or at favourable terms.

These unaudited condensed interim consolidated financial statements have been prepared using accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. However, due to uncertainties surrounding a number of factors, such as, but not limited to, ability to acquire mineral properties, exploration results, price of underlying commodities, investor sentiment and financial market conditions, it is not possible to predict if this assumption will prove to be accurate. These factors indicate the existence of material uncertainties that may cast doubt about the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

(a) Basis of presentation and consolidation

These financial statements: are presented in Canadian dollars, which is the Company's functional currency; and, are prepared using the historical cost basis, except for financial instruments classified as fair value through profit and loss, which are stated at their fair value. Non-current assets are stated at the lower of: the carrying amount; or, fair value less transaction costs.

BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company's significant accounting policies, as described in Note 3 of the Company's Audited Consolidated Financial Statements for the year ended October 31, 2016, have been applied consistently to all periods presented in these unaudited condensed interim consolidated financial statements, unless otherwise noted. These interim financial statements do not include all of the disclosure required in annual financial statements and should be read in conjunction with the Company's 2016 audited annual consolidated financial statements. These interim results are not necessarily indicative of the results that may be anticipated for the entire fiscal year.

(b) Estimates and judgements

The preparation of financial statements, in conformity with IFRS, requires the Company's management to make certain estimates and judgements about future events that they consider reasonable and realistic. These estimates and judgements are based on historical experience, future expectations, economic conditions and other factors. By their nature, estimates and judgements are subject to measurement uncertainty and actual results could vary from estimates. Significant estimates and judgements relate to:

- ability to continue as a going concern;
- fair value of share-based payments.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The following standards has been issued but are not yet effective:

IFRS 9 – Financial Instruments
IFRS 9 will replace the current standard, IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 is built on a logical, single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. IFRS 9 also incorporates requirements for financial liabilities, most of which were carried forward unchanged from IAS 39. Certain changes were made to the fair value option for financial liabilities to address the issue of own credit risk. IFRS 9 removes the volatility in profit or loss caused by changes to the credit risk of liabilities elected to be measured at fair value. Requirements related to hedge accounting, representing a new hedge accounting model, have been added to IFRS 9. The new model represents a substantial overhaul of hedge accounting, which will allow entities to better reflect their risk management activities in financial statements. The most significant improvements apply to those that hedge non-financial risk, so these improvements are expected to be of particular interest to non-financial institutions. In addition, a single, forward-looking expected loss impairment model is introduced, which will require more timely recognition of expected credit losses. This standard, which is to be applied retrospectively, is effective for annual periods beginning on or after January 1, 2018.

The Company is currently evaluating the impact of the above standard on its financial performance and financial statement disclosures, but expects that such impact would not be material.

4. SHARE CAPITAL

Authorized

Unlimited common shares

There was no share capital activity during fiscal 2017 or 2016.

Stock options

Under the terms of the Company's stock option plan ("Plan"), the Company is authorized to issue up to a maximum of 10% of the issued common shares with an exercise period that is not to exceed ten years. The term, exercise price and vesting conditions of the options are fixed by the Board of Directors at the time of grant. All issued stock options were granted in accordance with the terms of the Plan and expire five years from the date of grant.

Stock option transactions and the number of stock options outstanding are as follows:

	Number	Weighted average exercise price
Balance, October 31, 2015 and 2016	1,400,000	$0.05
Granted (i)	150,000	0.05
Balance, January 31, 2017	**1,550,000**	**$0.05**

(i) On November 7, 2016, the Company granted 150,000 stock options to a director. These options vested immediately and were issued with an exercise of $0.05 and have a five year term, expiring on November 7, 2021.

Fair value of the options issued on November 7, 2016 were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

	2017
Dividend yield	**Nil**
Expected volatility (based on Company historical trends)	**191%**
Risk free rate of return	**0.71%**
Expected life	**5 years**
Share price	**$0.035**

During the three month period ended January 31, 2017, the Company recognized share-based compensation expense of $5,050 (2016 - $nil).

The following summarizes information on the outstanding stock options:

Expiry Date	Number	Exercise price	Exercisable	Weighted average remaining contractual life (years)
September 18, 2019	1,400,000	$0.05	1,400,000	2.62
November 7, 2021	150,000	$0.05	150,000	4.77
	1,550,000	$0.05	1,400,000	2.83

5. CORPORATE AND ADMINISTRATIVE

		Three months ended		
		January 31		
		2017		2016
Legal, audit and accounting (notes 7, 8)	**$**	**1,202**	$	990
Management fees (notes 7, 8)		**9,000**		9,000
Office		**834**		544
Premises		**1,050**		1,050
Regulatory fees (note 7)		**1,328**		1,250
Shareholder relations and promotions		**914**		-
Transfer agent fees		**821**		688
Travel		**-**		2,353
	$	**15,149**	$	15,875

6. EXPLORATION AND EVALUATION

On November 7, 2016, the Company entered into an option and joint venture agreement (the “Option Agreement”), as amended on February 14, 2017, with Pelangio Exploration Inc. “(Pelangio”), pursuant to which the Company and Pelangio established an earn-in arrangement to jointly advance an early-stage gold exploration project in Ghana (the “Dormaa Project). Subject to the terms and conditions of the Option Agreement, the Company has the right (the “Option”) to earn a 50% equity and participating interest in the Dormaa Project. In order to exercise the Option the Company shall:

(a) pay Pelangio an aggregate of $160,000, as follows:

(i) $10,000 on November 7, 2016 (paid);
(ii) $50,000 on December 5, 2017; and,
(iii) $100,000 on December 5, 2018.

(b) fund a total of $2,000,000 in exploration expenditures, as follows:

  (i) $150,000 by March 5, 2017 (paid – note 12);
  (ii) $150,000 by May 4, 2017;
  (iii) $700,000 by December 5, 2017; and,
  (iv) $1,000,000 by December 5, 2018.

(c) pay the applicable annual ground rent and mineral right fees during the Option period, when such costs are first due and payable.

Upon the exercise of the Option, a joint venture between the Company and Pelangio would be formed, whereby each party would have an initial 50% participating interest, and thereafter contribute funding on a proportionate basis or have its interest diluted.

Once formed, the joint venture would, hold 100% of the mineral rights to the Dormaa Project, subject to a 2% net smelter royalty ("NSR") on all ounces of gold recovered and a 10% free carried interest reserved for the government of Ghana. The joint venture retains the right to buy-back 50% (equivalent to 1%) of the NSR for USD $2,000,000.

Exploration and evaluation expenditures of $10,000 (2016 - $nil) represent acquisition costs.

7. RELATED PARTY TRANSACTIONS

The Company had the following related party transactions:

(a) Management fees of $9,000 (2016 - $9,000) for the current quarter became payable to a company controlled by an associate of an officer of the Company.

(b) Legal fees of $1,002 (2016 - $790) for the current quarter became payable to a law firm in which an officer/director of the Company is a partner. These amounts are included in corporate and administrative expenses under legal, audit and accounting.

(c) Filing fees of $50 (2016 - $nil) for the current quarter became payable to a law firm in which an officer/director of the Company is a partner. These amounts are included in corporate and administrative expenses under regulatory fees.

(d) Share-based payments of $5,050 (2016 - $nil) represents the fair value assigned to 150,000 options granted to a director.

(e) Received cash of $11,000 (2016 - $3,000) for the current quarter from Company directors. Loans due to related parties of $78,000 (October 31, 2016 - $67,000) represent cash advances from Company directors and entities controlled or associated with Company directors. The loans are non-interest bearing, unsecured and due on demand.

Included in accounts payable and accrued liabilities is $150,304 (October 31, 2016 - $139,412) payable to the parties noted in (a), (b) and (c) above.

8. KEY MANAGEMENT COMPENSATION

The Company considers its officers and directors to be key management. Compensation of key management consisted of short-term compensation paid to the parties referenced in note 7 (a) and (b).

9. LOSS PER SHARE

Loss per share is calculated using the weighted average number of shares outstanding for the period. For the purposes of calculating the basic and diluted loss per share the effect of the potentially dilutive options and warrants were not included in the calculation as the result would be anti-dilutive.

10. CAPITAL MANAGEMENT

The Company's objectives when managing capital are: to safeguard its ability to continue as a going concern; and, to have sufficient capital to fund the exploration and development of its mineral properties and acquisition of other mineral properties for the benefit of its shareholders.

As at January 31, 2017, the Company had a working capital deficiency of $257,334 (October 31, 2016 - $141,780).

The Company considers its capital structure to consist of shareholder equity. In order to maintain its capital structure the Company is dependent on equity funding and loans from related parties and, when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares, warrants and incentive stock options. The Board of Directors does not established quantitative targets on its capital criteria for management, however, it relies on management to review its capital management methods and requirements on an ongoing basis and make adjustments, accordingly, to sustain future development of the business.

There were no changes in the Company's management of its capital during the three month period ended January 31, 2017. The Company is not subject to any externally imposed capital requirements.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value

The carrying value of cash, accounts payable and accrued liabilities and loans due to related party approximates fair value due to the relative short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arms-length transaction between willing parties and is best evidenced by a quoted market price, if one exists.

IFRS 7 establishes a fair value hierarchy that prioritizes the valuation techniques for each financial instrument measured at fair value. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgement.

The methods and assumptions used to develop fair value measurements are: Level one - includes quoted prices (unadjusted) in active markets for identical assets or liabilities; Level two - includes inputs, other than quoted prices included in Level 1, that are observable for an asset or liability, either directly (i.e. as process) or indirectly (i.e. derived from process); and, Level three - includes inputs that are not based on observable data.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

As at January 31, 2017 and October 31, 2016, cash was the only financial instrument classified within the fair value hierarchy and was classified as Level 1.

Risk Management

The primary objectives of the Company's financial risk management procedures are to ensure that the outcome of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's financial position, from events that have the potential to materially impair its financial strength. These activities include the preservation of its capital by minimizing risk related to its cash.

The Company does not trade financial instruments for speculative purposes and does not have a risk management committee or written risk management policies.

The Company's financial instruments are exposed to the risks described below:

Credit Risk

Credit risk is the risk of financial loss to the Company, if one party to a financial instrument fails to discharge or meet their obligations. Financial instruments that potentially expose the Company to this risk relate to cash. The Company's risk is minimal since its cash is on deposit with a Canadian chartered bank.

Liquidity Risk

Liquidity risk management requires maintaining sufficient cash, liquid investments or credit facilities to meet the Company's operating expenditures and commitments, as they come due. The Company manages liquidity risk through the management of its capital structure as described in Note 10. The Company does not have any income from operations or a regular source of income and is highly dependent on its working capital and equity funding to support its exploration and corporate activities. There can be no assurance that the Company will be successful in its fund raising activities.

As at January 31, 2017, the Company had cash of $582 to settle current liabilities of $261,076. The Company does not have sufficient cash to fund its obligations and it will be required to raise additional capital.

Currency Risk

The Company's operates in Canada and its financial commitments pursuant to the Option Agreement with Pelangio are in Canadian dollars. The Company may acquire or participate in mineral exploration properties or projects outside of Canada and may incur foreign denominated expenditures, thus potentially exposing the Company to foreign currency risk. The Company monitors foreign exchange rates on an as needed basis.

As at January 31, 2017 the Company's foreign currency exposure consisted of a nominal amount of USD cash.

12. SUBSEQUENT EVENTS

Subsequent to January 31, 2017, the Company received cash advances of $167,000 from entities controlled by or associated with Company directors. These loans are unsecured, due on demand and non-interest bearing and enabled the Company to make the initial $150,000 exploration expenditure payment pursuant to the Option Agreement with Pelangio.