FINLAY MINERALS LTD.

Condensed Interim Financial Statements
Third Quarter ended September 30, 2018

(Expressed in Canadian Dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

These interim financial statements of the Company for the period ending September 30, 2018 have been prepared by management and have not been subject to review by the Company's auditors.

FINLAY MINERALS LTD.

Condensed Interim Balance Sheet

AS AT SEPTEMBER 30, 2018

See accompanying notes to the condensed interim financial statements

All values expressed in Canadian dollars

	September 30 2018	December 31 2017
ASSETS	$	$
Current Assets		
Cash and cash equivalents	168,207	304,168
Accounts receivable	2,577	9,194
Investment in Serengeti Resources Ltd.	24,432	-
Prepaid expenses	5,960	10,583
	201,176	323,945
Reclamation deposits	91,500	82,200
Exploration and evaluation assets (Note 3)	8,026,286	8,011,657
	8,318,962	8,417,802
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payables and accrued liabilities	10,202	14,195
Due to Related Parties (Note 5)	-	1,757
Liability for flow-through shares	16,065	25,500
	26,267	41,452
Non-Current Liabilities		
Deferred income taxes	1,469,362	1,481,101
	1,495,629	1,522,553
Shareholders' Equity		
Share capital (Note 6)	8,430,291	8,435,946
Contributed surplus	1,421,452	1,421,452
Deficit	(3,028,410)	(2,962,149)
	6,823,333	6,895,249
	8,318,962	8,417,802

Approved by the Board of Directors and authorized for issue on November 29, 2018.

"Robert F Brown" , Director

"Richard T Dauphinee" , Director

FINLAY MINERALS LTD.

Condensed Interim Statement of Comprehensive Loss

FOR THE QUARTER ENDED SEPTEMBER 30, 2018

See accompanying notes to the condensed interim financial statements

All values expressed in Canadian dollars

	Three Months Ended September 30 2018 $	Three Months Ended September 30 2017 $	Nine Months Ended September 30 2018 $	Nine Months Ended September 30 2017 $
Operating Costs and Expenses				
Advertising and promotion	1,541	961	4,891	9,194
Bank charges and interest	67	63	302	382
Insurance	2,933	1,001	8,708	3,004
Legal and accounting	10,270	2,102	35,432	10,578
Office and administration	2,785	2,027	7,535	8,031
Rent	5,715	5,705	17,144	14,263
Shareholder relations	-	-	-	176
Telephone	279	292	865	786
Travel and accommodation	(3,485)	-	1,912	4,699
Trust and filing fees	1,164	3,956	11,298	15,782
	21,269	16,107	88,087	66,895
Loss before other items	(21,269)	(16,107)	(88,087)	(66,895)
Flow-through recovery	9,435	-	9,435	-
Interest Income	7	7	652	326
Loss before tax	(11,827)	(16,100)	(78,000)	(66,569)
Deferred income tax recovery (expense)	(7,595)	7,160	11,739	13,969
Net loss and comprehensive loss for the period	(19,422)	(8,940)	(66,261)	(52,600)
Weighted average number of common shares	74,167,848	71,003,737	74,167,848	69,514,116
Basic and diluted loss per share	0.00	0.00	0.00	0.00

FINLAY MINERALS LTD.

Condensed Interim Statement of Cash Flow

FOR THE QUARTER ENDED SEPTEMBER 30, 2018

See accompanying notes to the interim financial statements

All values expressed in Canadian dollars

	Nine Months Ended September 30 2018 $	Nine Months Ended September 30 2017 $
CASH PROVIDED BY (USED FOR):		
Operating Activities		
Net loss for the period	(66,261)	(52,600)
Add (deduct) non-cash items		
Flow-through recovery	(9,435)	-
Deferred income tax recovery	(11,739)	(13,969)
	(87,435)	(66,569)
Changes in non-cash working capital		
Accounts receivable	6,617	(3,925)
Prepaid expenses	4,623	(1,041)
Reclamation deposits	(9,300)	-
Accounts payable and accrued liabilities	(3,993)	(8,221)
Due to related parties	(1,757)	(4,957)
	(91,245)	(84,713)
Investing Activities		
Investment in Serengeti Resources Ltd.	(24,432)	-
Exploration and evaluation expenditures recovered	25,000	(25,000)
Mineral property costs	(39,629)	(21,352)
	(39,061)	(46,352)
Financing Activities		
Cash from shares issued	-	200,000
Share issue costs	(5,655)	(2,940)
	(5,655)	197,060
DECREASE IN CASH POSITION	(135,961)	65,995
Cash position, beginning of the period	304,168	144,424
CASH POSITION, END OF PERIOD	168,207	210,419
Cash position includes cash and short term investments.		
Cash	*155,949*	*198,161*
Short-term deposits	*12,258*	*12,258*
	168,207	*210,419*

FINLAY MINERALS LTD.

Interim Statement of Changes in Equity

FOR THE QUARTER ENDED SEPTEMBER 30, 2018

See accompanying notes to the interim financial statements

All values expressed in Canadian dollars

	Number of Shares	Share Capital $	Contributed Surplus $	Deficit $	Total Equity $
December 31, 2017	74,167,848	8,435,946	1,421,452	(2,962,149)	6,895,249
Share issue costs	-	(5,655)	-	-	(5,655)
Net loss for the period	-	-	-	(66,261)	(66,261)
September 30, 2018	74,167,848	8,430,291	1,421,452	(3,028,410)	6,823,333
December 31, 2016	68,781,515	8,068,018	1,205,502	(2,686,437)	6,587,083
Private placement	3,333,333	200,000			200,000
Share issue costs		(2,940)			(2,940)
Net loss for the period	-	-	-	(52,600)	(52,600)
September 30, 2017	72,114,848	8,265,078	1,205,502	(2,739,037)	6,731,543

1) NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated under the Business Corporations Act (British Columbia) and its principal business activity is the acquisition and exploration of resource properties. The properties of the Company are without a known economically feasible ore body. The exploration programs undertaken and proposed constitute an exploratory search. There is no assurance that the Company will be successful in its search. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, and to construct mining and processing facilities at a particular site. It is not possible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Although the Company has taken steps to verify title to resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory requirements.

These financial statements have been prepared on a going-concern basis, which assumes 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. Several adverse conditions cast substantial doubt on the validity of this assumption. The Company has incurred operating losses since inception with a net loss for the nine months ended September 30, 2018 of $66,261, has limited financial resources, no source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available to conduct further exploration and development of its mineral property projects.

The application of the going-concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going-concern and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts differing from those reflected in the financial statements.

Management plans to continue to pursue equity or debt financing to support operations. Management believes this plan will be sufficient to meet the Company's liabilities and commitments as they become payable over the next twelve months. There can be no assurance that management's plan will be successful. Failure to maintain the support of creditors and obtain additional external equity financing will cause the Company to curtail operations and the Company's ability to continue as a going-concern will be impaired. The outcome of these matters cannot be predicted at this time.

2) SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. Accordingly, these Financial Statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes. These financial statements should be read in conjunction with the Company's financial statements for the year ended December 31, 2017, which have been prepared in accordance with IFRS as issued by the IASB.

2) SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The accounting policies applied by the Company in these financial statements are the same as those applied by the Company in its most recent annual financial statements for the year ended December 31, 2017.

b) Critical accounting estimates and judgements

- Impairment

  The Company considers both external and internal sources of information in assessing whether there are any indicators that mineral interests are impaired. External sources of information include changes in the market, and the economic and legal environment in which the Company operates. Internal sources of information include the manner in which mineral interests are being used or are expected to be used. Management has assessed impairment indicators on the Company's mineral interests and has concluded that no impairment indicators existed as of September 30, 2018.

c) Significant accounting policies

These interim financial statements have been prepared using the same accounting policies and methods of computation as the annual financial statements of the Company for the year ended December 31, 2017. The disclosure contained in these interim financial statements does not include all the requirements in IAS 1 Presentation of Financial Statements ("IAS 1"). Accordingly these interim financial statements should be read in conjunction with the Company's financial statements for the year ended December 31, 2017.

There are no other IFRS or IFRIC interpretations that are not yet effective that are expected to have a material impact on the Company.

3) EXPLORATION AND EVALUATION EXPENDITURES

Omineca Mining Division
British Columbia

Silver Hope Claims

The Company has a 100% interest in 30 mineral tenures, eight of which are subject to a 1½% Net Smelter Returns royalty ("NSR"), and were acquired in 2006 by the issuance of two million common shares. One half of the NSR (3/4 %) is purchasable prior to a production decision for one million dollars.

Atty and Pil-Gold Claims

The Company has a 100% interest in 52 mineral tenures (formerly 376 mineral claim units) of which 23 mineral claims were acquired from a private company controlled by a director of the Company with consideration for the issuance to that private company of nine million common shares (post subdivision) and a 3% NSR. The Company is also obligated to issue a further two million shares to this private company when the property is put into commercial production and may also, prior to that date, purchase a 1½ % NSR (½ of the 3% NSR) for two million dollars.

All values expressed in Canadian dollars

3) EXPLORATION AND EVALUATION EXPENDITURES *(continued)*

	December 31 2016	Net Additions	December 31 2017	Net Additions	September 30 2018
BRITISH COLUMBIA					
Silver Hope Claims					
Acquisition	166,873	-	166,873	-	166,873
Assay	176,276	405	176,681	261	176,942
Camp and travel	110,436	1,579	112,015	2,221	114,236
Drilling	1,274,952	-	1,274,952	-	1,274,952
Equipment rental	31,387	74	31,461	-	31,461
Field office	10,630	2,286	12,916	-	12,916
Geological and geophysical	803,614	2,520	806,134	5,138	811,272
Road construction	45,239	-	45,239	-	45,239
Tenure management	36,613	1,582	38,195	1,728	39,923
BCMETC refund	(19,495)	-	(19,495)	-	(19,495)
	2,636,525	8,446	2,644,971	9,348	2,654,319
Atty and Pil Claims					
Acquisition	29,076	-	29,076	-	29,076
Assay	263,256	3,909	267,165	9,199	276,364
Camp and travel	1,053,132	31,151	1,084,283	25,146	1,109,429
Drilling	1,466,687	-	1,466,687	-	1,466,687
Equipment rental	131,427	-	131,427	775	132,202
Field office	117,477	30	117,507	-	117,507
Geological and geophysical	1,761,726	81,717	1,843,443	20,161	1,863,604
Road construction	392,273	-	392,273	-	392,273
Tenure management	55,017	333	55,350	-	55,350
BCMETC refund	(4,676)	(15,849)	(20,525)	-	(20,525)
Recovery	-	-	-	(50,000)	(50,000)
	5,265,395	101,291	5,366,686	5,281	5,371,967
Total exploration and evaluation expenditures	7,901,920	109,737	8,011,657	14,629	8,026,286

On March 1, 2018, the Company entered into an option agreement (the "OA") with Serengeti Resources Inc. ("Serengeti") and Electrum Resource Corp. (the "RH") to (i) grant Serengeti the exclusive right and option to acquire a 100% interest in and to the ATTY claims and (ii) to provide for the amendment of certain terms of the purchase agreement entered into between the Company and the RH dated as of July 29, 1999 (the "PA"). On execution of the OA, Serengeti paid $25,000 to the Company. To exercise the option, Serengeti must, within 8 years of exchange approval and in accordance with the specific schedules:

- Pay $975,000 by issuing shares, paying cash or a combination thereof, with the first $25,000 being paid on exchange approval;

All values expressed in Canadian dollars

3) EXPLORATION AND EVALUATION EXPENDITURES *(continued)*

- Pay $600,000 in cash; and
- Incur at least $12 million in expenditures, with the first $300,000 incurred on or before the first anniversary of exchange approval.

Pursuant to the OA, Serengeti was also granted the additional option whereby, upon its exercise, the PA will be amended by: (i) reducing the NSR payable from 3% to 1.5%, (ii) terminating the buydown right relating to the NSR and (iii) terminating certain provisions providing for additional consideration and area of mutual interest rights. In order to exercise the additional option, Serengeti must, within 8 years of exchange approval and in accordance with the specified payment schedule, pay $250,000 to each of the Company and RH by issuing shares, paying cash or a combination thereof. Following the exercise of the option and the additional option, if Serengeti makes an ATTY Project Production Decision (as defined in the OA), it must make a payment, in cash or shares at its option, to the RH equal to the lesser of the market value of 500,000 of its shares and $1 million.

The OA received exchange approval on April 9, 2018.

On March 1, 2018, the Company and the RH entered into an amending agreement to amend the PA so that (i) certain clauses only apply to the ATTY claims and not the Pil claims; and (ii) to provide for a separate royalty agreement between the Company and the RH relating to the Pil claims. The PA was amended as follows:

- As additional consideration for the original purchase, the Company will issue 500,000 shares of the Company to the RH immediately following an ATTY Project Production Decision (as defined in the OA); and
- Prior to an ATTY Project Production Decision (as defined in the OA), the Company may, at its sole discretion, purchase one half (1.5%) of the NSR from RH by paying $1 million.

On March 1, 2018, the Company and the RH entered into a royalty agreement (the "RA") in respect of the Pil claims. The RA incorporates the mineral claims acquired under the Purchase Agreement with the RH dated as of October 1, 2001, as well as the rights and interest pertaining to the Pil claims, into the RA, and terminates the 2001 Purchase Agreement. As additional consideration for the purchase of the Pil claims, the Company:

- Will issue 1 million shares of the Company to RH immediately following a Pil Project Production Decision (as defined in the RA);
- Will pay an NSR of 3% to the RH; and
- May, at its sole discretion, and prior to a Pil Project Production Decision, purchase one half (1.5%) of the NSR from RH by paying $2 million.

4) RELATED PARTY TRANSACTIONS

Key management personnel compensation:

	Six Months Ended September 30, 2018 $	Year Ended December 31, 2017 $
Share based compensation	-	148,080
Mineral property geological consulting	2,520	20,924

All values expressed in Canadian dollars

5) DUE TO RELATED PARTIES

At September 30, 2018, the Company has no amounts owing to related parties.

6) SHARE CAPITAL

a) The authorized share capital of the Company consists of: an unlimited number of common shares.
100,000,000 Class A preference shares
100,000,000 Class B preference shares

	Nine Months Ended September 30, 2018		Year Ended December 31, 2017	
	Number of Shares	$	Number of Shares	$
Opening balance	74,167,848	8,435,946	68,781,515	8,068,018
Issued for:				
Share issue costs	-	(5,655)	-	-
Private placements [1]	-	-	5,386,333	367,928
Ending Balance	74,167,848	8,430,291	74,167,848	8,435,946

1. Net of issue costs of $16,842

b) Share purchase options

The following is a summary of the changes in the Company's outstanding stock options:

	Nine Months Ended September 30, 2018		Year Ended December 31, 2017	
	Number of Options	Weighted Average Exercise Price $	Number of Options	Weighted Average Exercise Price $
Balance, beginning of the period	3,650,000	0.07	3,650,000	0.09
Expired	-	-	(1,750,000)	0.14
Issued	-	-	1,750,000	0.10
Balance, end of the period	3,650,000	0.07	3,650,000	0.07
Exercisable, end of the period	3,650,000	0.07	3,650,000	0.07
Weighted average years to expiry		3.43		4.18

All values expressed in Canadian dollars

6) SHARE CAPITAL *(continued)*

c)

The continuity of share purchase warrants is as follows:

	Nine Months Ended September 30, 2018		Year Ended December 31, 2017	
	Number of Warrants	Weighted Average Exercise Price $	Number of Warrants	Weighted Average Exercise Price $
Balance, beginning of the period	7,969,071	0.10	7,886,905	0.08
Issued	-	-	3,082,166	0.15
Expired	-	-	(3,000,000)	0.10
Balance, end of the period	7,969,071	0.10	7,969,071	0.10
Weighted average years to expiry		1.32		1.33 [1]

1. On April 10, 2018 the Company extended 2,928,572 warrants with an original term of 24 months to 48 months; the new expiry date of these warrants is now April 12, 2020.

7) CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going-concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash and cash equivalents to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally-imposed capital requirements.

8) COMMITMENTS

As at September 30, 2018 the Company must incur an additional $88,282 in qualifying flow-through expenditures prior to December 31, 2018 pursuant to its renunciation to investors in the December, 2017 flow-through financing. Since September 30, 2018 the corporation has incurred additional qualifying flow-through expenditures of $105,781 to November 29, 2018.

9) SUBSEQUENT EVENTS

On October 9, 2018, 1,958,333 share purchase warrants of the Company expired unexercised. On October 18, 2018, 2,857,143 warrants were exercised by the Company's Chairman at $0.05. Therefore, as at November 29, 2018, the Company has 77,024,991 common shares issued and outstanding and 3,153,595 share purchase warrants outstanding.