HADLEY MINING INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED

OCTOBER 31, 2016

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

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 condensed interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

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

Hadley Mining Inc.

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	As at October 31, 2016	As at July 31, 2016
ASSETS		
Current assets		
Cash	**$ 819**	$ 537
Government HST recoverable (note 7)	**2,085**	3,567
Total current assets	**2,904**	4,104
Non-current assets		
Exploration and evaluation assets (note 8)	**9,000**	9,000
Total non-current assets	**9,000**	9,000
Total assets	**$ 11,904**	$ 13,104
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	**$ 79,684**	$ 74,212
Due to related parties (note 10)	**72,994**	72,894
Due to related companies (note 10)	**678**	678
Total current liabilities	**153,356**	147,784
Shareholders' deficiency		
Common share capital (note 11)	**422,649**	422,649
Reserve for share-based payments (note 11)	**127,000**	127,000
Contributed surplus	**43,800**	43,800
Deficit	**(734,901)**	(728,129)
Total shareholders' deficiency	**(141,452)**	(134,680)
Total liabilities and shareholders' deficiency	**$ 11,904**	$ 13,104

Nature of operations (note 1)
Going concern (note 2)

Approved on behalf of the Board of Directors:

"Daniel Wettreich" (signed) Director
Daniel Wettreich, Director

"Mark Wettreich" (signed) Director
Mark Wettreich, Director

The notes to the condensed interim financial statements are an integral part of these statements.

Hadley Mining Inc.

Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Ended October 31,		**2016**		**2015**
Operating Expenses				
Bank charges and interest	**$**	**47**	$	72
Filing and listing fees		**1,500**		1,500
Legal and professional fees		**3,250**		3,500
Office and general expenses		**1,325**		1,325
Transfer agent fees		**650**		702
Net loss and comprehensive loss	**$**	**(6,772)**	$	(7,099)
Basic and diluted net loss per share (note 12)	**$**	**(0.00)**	$	(0.00)
Weighted average number of common shares outstanding - basic and diluted		**25,000,001**		25,000,001

The notes to the condensed interim financial statements are an integral part of these statements.

Hadley Mining Inc.

Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Ended October 31,		2016		2015
Operating activities				
Net loss for the period	**$**	**(6,772)**	$	(7,099)
Net changes in non-cash working capital:				
Government HST recoverable		**1,482**		1,293
Accounts payable and accrued liabilities		**5,472**		2,034
Net cash used in operating activities		**182**		(3,772)
Financing activities				
Due to related parties		**100**		4,585
Net cash provided by financing activities		**100**		4,585
Net change in cash		**282**		813
Cash, beginning of period		**537**		1,141
Cash, end of period	**$**	**819**	$	1,954

The notes to the condensed interim financial statements are an integral part of these statements.

Hadley Mining Inc.

Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Common Share Capital		Reserves for			
	Number of shares	Amount	Share-based payments	Contributed surplus	Deficit	Total
Balance, July 31, 2015	**25,000,001**	**$ 422,649**	**$ 127,000**	**$ 43,800**	**$ (695,790)**	**$ (102,341)**
Net loss for the period	-	-	-	-	(7,099)	(7,099)
Balance, October 31, 2015	**25,000,001**	**$ 422,649**	**$ 127,000**	**$ 43,800**	**$ (702,889)**	**$ (109,440)**
Balance, July 31, 2016	**25,000,001**	**$ 422,649**	**$ 127,000**	**$ 43,800**	**$ (728,129)**	**$ (134,680)**
Net loss for the period	-	-	-	-	(6,772)	(6,772)
Balance, October 31, 2016	**25,000,001**	**$ 422,649**	**$ 127,000**	**$ 43,800**	**$ (734,901)**	**$ (141,452)**

The notes to the condensed interim financial statements are an integral part of these statements.

1. Nature of Operations

Hadley Mining Inc. ("Hadley" or "the Company") was incorporated on March 26, 2010 under the laws of Ontario as 2238484 Ontario Inc. The Company filed Articles of Amendment October 10, 2012, changing its name from 2238484 Ontario Inc. to Hadley Mining Inc. The Company is engaged in the business of the acquisition and exploration of mining properties in Canada. The Company was 49.0% owned by GreenBank Capital Inc. ("GreenBank") and 40.67% owned by Winston Resources Inc. ("Winston"), both Canadian public companies, before GreenBank and Winston declared share dividends on January 29, 2016 to distribute all of their shareholding interest of Hadley to their shareholders. GreenBank and Winston no longer have any shareholder interest in the Company. The Company is a public company whose common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "HM". The head office of the Company is located at 4168 Finch Avenue East, Suite 308, Toronto, Ontario M1S 5H6, Canada.

2. Going Concern Assumption

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern under International Financial Reporting Standards ("IFRS"). The use of these principles under IFRS assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. The Company has not commenced active exploration on its exploration and evaluation assets ("E&E"). It is unknown whether the E&E contain reserves that are economically recoverable. The Company continues to incur operating losses, which casts significant doubt about the Company's ability to continue as a going concern.

The business of exploration involves a high degree of risk, as such there is no assurance that the Company's expected exploration programs will result in profitable mining operations. Until it is determined that the E&E contain mineral reserves or resources that can be economically mined, they are classified as exploration and evaluation assets using the full cost method allowed under IFRS 6. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its E&E, and making the required payments pursuant to E&E purchase agreements. The Company has yet to generate income and cash flows from its operations.

There is no assurance that the Company will be able to obtain the external financing necessary to explore, develop if E&E are proven successful and bring to commercial production its E&E. The Company has no proven history of profitability, which casts doubt as to whether the Company will be able to continue as a going concern should it not be able to obtain the necessary financing to fund working capital and capital expenditures. The ability of the Company to arrange such financing in the future depends in part upon the prevailing capital market conditions as well as the business performance of the Company. If additional financing is raised by the issuance of shares from the treasury of the Company existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.

As at October 31, 2016, the Company has yet to generate revenues from operations and had a deficit of $734,901 (July 31, 2016 - $728,129). The Company is actively seeking additional sources of financing. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern that these uncertainties are material and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and discharge its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. These adjustments could be material.

3. Statement of Compliance and Basis of Presentation

(a) Statement of compliance

The Company applies IFRS as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of December 19, 2016, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended July 31, 2016, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending July 31, 2017 could result in restatement of these unaudited condensed interim financial statements.

(b) Basis of presentation

These financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments which may be measured at fair value in subsequent periods, and have been prepared using the accrual basis of accounting except for cash flow information.

4. Significant Accounting Policies

These financial statements have been prepared by management in accordance with IFRS and IFRIC. Outlined below are those policies considered particularly significant:

Changes in accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after July 31, 2016. The following new standards have been adopted:

(i) IFRS 11 - Joint Arrangements ("IFRS 11") was amended in May 2014 to require business combination accounting to be applied to acquisitions of interests in a joint operation that constitute a business. The amendments are effective for annual periods beginning on or after January 1, 2016. At August 1, 2016, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(ii) IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. At August 1, 2016, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

4. Significant Accounting Policies (continued)

Future accounting policies

At the date of authorization of these financial statements, the IASB has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting period.

(i) IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 and will replace IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. This standard also requires an expected loss impairment method to be used, replacing the incurred loss model.

In October 2010, the IASB added requirements for financial liabilities to IFRS 9. These requirements were largely carried forward from the existing requirements in IAS 39, however, fair value changes due to credit risk for liabilities designated at fair value through profit and loss are to be recorded in other comprehensive income.

In November 2013, the IASB amended IFRS 9 to include a new general hedge accounting model.

In July 2014, the IASB issued the final version IFRS 9 that supersedes the requirements of earlier versions of the standard. The new standard will replace both IAS 39 and IFRIC 9 - Reassessment of Embedded Derivatives. The standard will retain the classification and measurements requirements and new hedge accounting model introduced by the previous versions while introducing a single forward-looking expected credit loss impairment model. The final version of this new standard is effective for annual periods beginning on or after January 1, 2018. The Company is still in the process of assessing the impact of this pronouncement.

Various other accounting pronouncements (such as IFRS 14, IFRS 15, and the various annual improvements) that have no material impact to the Company are not included above. The Company has not early adopted these standards.

5. Financial Risk Management

Financial risk management objectives and policies
The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management, with the Board of Directors oversight, manages financial risks. Where material, these risks will be reviewed and monitored by the Board of Directors. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

Financial risks
The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk
Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is limited to the carrying value amount carried on the statement of financial position. The Company's assets most susceptible to credit risk is its cash, which is held at a Canadian chartered bank in a non-interest bearing account, and government HST recoverable, which is due from the Canadian government. As such, the risk of loss on these assets is minimal.

Market and other risk
Market risk is the risk of uncertainty arising primarily from possible commodity market price movements and their impact on the future economic viability of the Company's projects and ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly.

Liquidity risk
Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, including 30-day, 180-day and 360-day lookout periods. As at October 31, 2016, the Company had $819 in cash. Currently, the Company does not have sufficient funds and will require financing to carry out an exploration and acquisition program and meet general and administration expenses for the next twelve months.

Commodity risk
The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for these mineral commodities. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

The carrying values of the Company's financial instruments carried at amortized cost approximate fair values due to their short duration.

The Company has designated its cash at FVTPL. The government HST recoverable is classified as loans and receivables whereby they are initially recognized at fair value and then subsequently carried at amortized cost. Accounts payables and accrued liabilities, due to related parties and due to related companies are classified as other financial liabilities whereby they are initially recognized at fair value and then measured at amortized cost.

5. Financial Risk Management (continued)

The carrying values, which approximate fair values, of the Company's financial instruments are as follows:

	As at October 31, 2016	As at July 31, 2016
Financial Assets		
Fair value through profit or loss		
Cash	**$ 819**	$ 537
Loans and receivables		
Government HST Recoverable	**2,085**	3,567
Financial Liabilities		
Other financial liabilities		
Accounts payable and accrued liabilities	**$ 79,684**	$ 74,212
Due to related companies	**678**	678
Due to related parties	**72,994**	72,894

6. Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of E&E and to ensure it continues as a going concern. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's managements to sustain future development of the business.

The Company defines its capital as its shareholders' equity. As at October 31, 2016, the Company's capital resources amounted to a deficiency of $141,452 (July 31, 2016 - $134,680).

All of the E&E, in which the Company currently has an interest, are in the exploration stage with no operating revenues; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new E&E and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company's capital management objectives, policies and processes have remained unchanged during the three months ended October 31, 2016. The Company is not subject to any capital requirements imposed by a lending institution.

7. Government HST Recoverable

	As at October 31, 2016	As at July 31, 2016
Government HST receivables	**$ 2,085**	$ 3,567

Government HST recoverable is not past due.

8. Exploration and Evaluation Assets

	Pigeon River (Ontario property) (25% interest)
Balance, July 31, 2015 and October 31, 2015	**$ 9,000**
Balance, July 31, 2016 and October 31, 2016	**$ 9,000**

Pigeon River
On April 10, 2015, the Company purchased a 25% interest in the Pigeon River mining claim from Zara Resources Inc. ("Zara") for the sum of $9,000. The Pigeon River mining claim is located in the Pigeon River area of Northwest Ontario.

Etamame
The Company acquired 100% of the Etamame Lake Nickel project. Etamame consists of 10 claim blocks totaling 142 claim units that have not been previously drilled.

In the fiscal 2013 year, the Company acquired assets from Winston Resources Inc., its former parent company as part of the plan of arrangement.

On April 8, 2014, management determined that they would not renew nine of ten claim blocks and accordingly recognized an impairment loss in the amount of $288,099 during the year ended July 31, 2014.

On April 10, 2015, management determined that they would not renew the remaining Etamame claim block and accordingly recognized an impairment in the amount of $35,961 during the year ended July 31, 2015.

9. Accounts Payable and Accrued Liabilities

	As at October 31, 2016	As at July 31, 2016
Accounts payable	**$ 70,859**	$ 68,712
Accrued liabilities	**8,825**	5,500
	$ 79,684	$ 74,212

The aging of the accounts payable and accrued liabilities is as follows:

	As at October 31, 2016	As at July 31, 2016
Less then 30 days	**$ 4,060**	$ 5,952
From 30 days to 90 days	**1,638**	3,355
Greater than 90 days	**73,986**	64,905
	$ 79,684	$ 74,212

10. Related Party Transactions and Disclosures

Related party transactions were in the normal course of operations.

At October 31, 2016, the due to related companies in the amount of $678 (July 31, 2016 - $678) is comprised of due to GreenBank of $678 (July 31, 2016 - $678). This company has Daniel Wettreich, a director and CEO of the Company, as director. The amounts were made to provide working capital and are due upon demand and have no set repayment terms.

As at October 31, 2016, the Company also had a balance due to related parties of $72,994 (July 31, 2016 - $72,894), which is comprised of due to Daniel Wettreich, a director and CEO of the Company in amount of $43,693 (July 31, 2016 - $43,592), and Sammiri Capital Inc., a private company owned by the Daniel Wettreich of $29,301 (July 31, 2016 - $29,301). The amounts were made to provide working capital and are due upon demand and have no set repayment terms.

During the three months ended October 31, 2016, the Company incurred transfer agent fees of $650 (three months ended October 31, 2015 - $702) to Reliable Stock Transfer Inc., ("Reliable") a company owned by Daniel Wettreich for the provision of share transfer services. As at October 31, 2016, amount owed to Reliable is $6,533 (July 31, 2016 - $5,798) and has been included in the accounts payable and accrued liabilities.

As at October 31, 2016, the amount of $51,415 (July 31, 2016 - $51,415) was owed to Sammiri Capital Inc. for management services for previous periods and has been included in the accounts payable and accrued liabilities.

11. Share Capital

(i) **The Company's authorized share capital**

The Company's authorized share capital consists of an unlimited number of common shares with no par value.

(ii) **Stock options**

The Company has a stock option plan in place under which the Board of Directors may grant options to acquire common shares of the Company to qualified directors, officers, employees and other service providers. The stock options vest according to the provisions of the individual option agreements approved by the directors' resolutions and have a maximum life of ten years. The plan allows for the issuance of up to 10% of the number of issued and outstanding common shares of the Company at any time on a non-diluted basis.

Stock option transactions for the periods presented are as follows:

	Fair Value ($)	Number of stock options	Weighted average exercise price ($)
Balance, July 31, 2015, July 31, 2016 and October 31, 2016	**127,000**	**1,650,000**	**0.10**

The following table sets out the details of the stock options granted and outstanding as at October 31, 2016:

Expiry date	Exercise price ($)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)	Number of options unvested
December 28, 2017	0.10	1.16	1,650,000	1,650,000	-
	0.10	**1.16**	**1,650,000**	**1,650,000**	**-**

(iii) **Share-based compensation**

There were no options granted during three months ended October 31, 2016 and 2015. As at October 31, 2016, there were 1,650,000 vested options (July 31, 2016 - 1,650,000).

(iv) **Contributed surplus**

Contributed surplus includes the accumulated fair value of share-based compensation and warrants transferred from share-based payment reserve and warrant reserve upon cancellation or expiry of the stock options and warrants. There was no transaction in the contributed surplus during the three months ended October 31, 2016.

12. Net Loss Per Common Share

The calculation of basic and diluted loss per share for three months ended October 31, 2016 was based on the loss attributable to common shareholders of $6,772 (three months ended October 31, 2015 – $7,099) and the weighted average number of common shares outstanding of 25,000,001 (2015 – 25,000,001). There were no outstanding warrants as at October 31, 2016 and 2015. All outstanding options were excluded from the calculation of diluted loss per share because their effect was anti-dilutive.

13. Segmented Information

The Company's operations are comprised of a single reporting operating segment engaged in the exploration and evaluation of mineral resources. As the operations comprise a single reporting segment, amounts disclosed in the financial statements also represent a single reporting segment. As at October 31, 2016, all of the Company's exploration and evaluation assets and liabilities are situated in Canada.