An exploration company

Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2018 and 2017

Expressed in thousands of United States dollars, unless otherwise stated

Unaudited

NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Solaris Copper Inc. for the three and nine months ended September 30, 2018, have been prepared by management and are the responsibility of the Company's management and have not been reviewed by the Company's auditor.

SOLARIS COPPER INC.

Condensed Consolidated Interim Statements of Financial Position

(Unaudited, expressed in thousands of United States dollars)

	Note		September 30, 2018		December 31, 2017
Assets					
Current assets					
Cash and cash equivalents		$	262	$	92
Other assets			61		37
Receivable from Equinox			115		-
			438		129
Exploration and evaluation assets	6		20,180		20,180
Plant and equipment	7		48		43
		$	20,666	$	20,352
Liabilities and Equity					
Current liabilities					
Accounts payable and accrued liabilities		$	133	$	144
Long-term liabilities					
Payable to Equinox			573		-
Derivative liabilities	8		291		-
Total long-term liabilities			864		-
Shareholders' Equity					
Share capital	9		32,697		-
Reserves			226		26,544
Deficit			(21,129)		(14,255)
Equity attributable to Solaris Copper Inc. shareholders			11,794		12,289
Non-controlling interests			7,875		7,919
			19,669		20,208
		$	20,666	$	20,352

Commitments and contingencies (note 17)

Subsequent events (notes 18)

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

SOLARIS COPPER INC.

Condensed Consolidated Interim Statements of Comprehensive Loss

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

		Three months ended September 30,		Nine months ended September 30,	
	Note	2018	2017	2018	2017
Exploration expenses	10	$ 502	$ 304	$ 1,932	$ 1,103
General and administrative expenses	11	99	24	226	66
Loss from operations		601	328	2,158	1,169
Mark-to-market (gain) loss on derivative liability	8	(77)	-	(77)	-
Other (income) expense		(36)	1	(42)	(6)
		(113)	1	(119)	(6)
Net loss and comprehensive loss		$ 488	$ 329	$ 2,039	$ 1,163
Net loss and comprehensive loss attributable to:					
Solaris Copper shareholders		$ 460	$ 329	$ 1,995	$ 1,163
Non-controlling interests		28	-	44	-
		$ 488	$ 329	$ 2,039	$ 1,163
Net loss and comprehensive loss per share:					
Basic	12	$ 0.01	$ -	$ 0.13	$ -
Diluted		$ 0.01	$ -	$ 0.13	$ -
Weighted average shares outstanding		46,942,456	-	15,819,436	-

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

SOLARIS COPPER INC.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited, expressed in thousands of United States 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
Cash provided by (used in)				
Operations				
Net loss for the period	$ (488)	$ (329)	$ (2,039)	$ (1,163)
Adjustments for:				
Amortization	-	1	2	2
Change in fair value of derivative liabilities	(77)	-	(77)	-
Share based compensation	32	-	32	-
Other	10	-	10	-
Changes in non-cash working capital:				
Accounts receivable and other assets	(29)	19	(24)	13
Amounts due from Equinox	(115)	-	(115)	-
Accounts payable and accrued liabilities	24	2	(10)	25
	(643)	(307)	(2,221)	(1,123)
Investing				
Capital expenditures	(3)	-	(7)	-
Financing				
Proceeds from related company	861	259	2,409	1,228
Effect of foreign exchange on cash and cash equivalents	(10)	-	(11)	-
Increase (decrease) in cash and cash equivalents	205	(48)	170	105
Cash and cash equivalents, beginning of period	57	248	92	95
Cash and cash equivalents, end of period	$ 262	$ 200	$ 262	$ 200

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

SOLARIS COPPER INC.

Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited, expressed in thousands of United States dollars, except share amounts)

	Share Capital						
	Shares	Amount	Reserves	Net Parent Investment	Deficit	Non-controlling interests	Total
December 31, 2017	-	$ -	$ -	$ 26,544	$ (14,255)	$ 7,919	$ 20,208
Net contribution from Equinox prior to the Arrangement	-	-	-	1,337	-	-	1,337
Contribution from Equinox pursuant to the Arrangement		-	-	500	-	-	500
Shares issued upon incorporation	1	-	-	-	-	-	-
Shares issued pursuant to the Arrangement	74,438,615	32,676	-	(32,676)	-	-	-
Adjustments pursuant to the Arrangement	-	-		4,295	(4,879)	-	(584)
Shares issued on exercise of Restricted Share Units	49,040	21	(21)	-	-	-	-
Share based compensation			247	-	-	-	247
Non-controlling interest	-	-	-	-	-	(44)	(44)
Net loss and comprehensive loss	-	-	-	-	(1,995)	-	(1,995)
Balance September 30, 2018	74,487,656	$ 32,697	$ 226	$ -	$ (21,129)	$ 7,875	$ 19,669
December 31, 2016	-	$ -	$ -	$ 12,916	$ (12,407)	$ -	$ 509
Cash contribution from parent	-	-	-	1,228	-	-	1,228
Deficit	-	-	-	-	(1,163)	-	(1,163)
Balance September 30, 2017	-	$ -	$ -	$ 14,144	$ (13,570)	$ -	$ 574

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

1. NATURE OF OPERATIONS

Solaris Copper Inc. ("Solaris") was incorporated under the Business Corporations Act of British Columbia on June 18, 2018.

As at September 30, 2018, the Company's assets consist of the 60%-owned La Verde copper exploration property ("La Verde") in Mexico, the Company's Warintza copper-molybdenum exploration property ("Warintza") in Ecuador, the Ricardo copper-molybdenum exploration property ("Ricardo") in Chile, and a land package in Guatemala. The Company has not yet determined whether the properties contain mineral reserves where extraction is both technically feasible and commercially viable.

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to continue for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

2. PLAN OF ARRANGEMENT

On August 3, 2018, Equinox Gold Corp. ("Equinox") re-organized certain subsidiaries (the "Equinox Subsidiaries"), including Catalyst Copper Corp. ("Catalyst") and Ascenso Inversiones S.A. ("Ascenso") acquired on December 22, 2017, under Lowell Copper Holdings Inc. ("Lowell Copper"), transferred all of the issued and outstanding shares of Lowell Copper to Solaris, and distributed shares of Solaris to the shareholders of Equinox, as a return of capital by way of a plan of arrangement ("the Arrangement").

Under the Arrangement, existing shareholders of Equinox received one-tenth of a Solaris common share for each Equinox common share held. A total of 44,663,102 Solaris common shares were distributed to Equinox shareholders. Equinox holds 29,775,513 shares of Solaris.

In addition, option and Restricted Share Units ("RSUs") holders of Equinox received options and RSUs, respectively, of Solaris which were proportionate to, and reflective of the terms of, their existing options, warrants and RSUs of Equinox. A total of 1,472,220 shares were issuable for stock options and 897,009 RSUs were issued by Solaris on August 3, 2018 in conjunction with the Arrangement.

Pursuant to the Arrangement, Equinox warrant holders will receive, upon due exercise of any Equinox warrant (the "Equinox warrants"), for the original exercise price, one-tenth of a Solaris share for each Equinox share that was issuable upon exercise. Equinox shall, as agent for Solaris, collect and pay to Solaris an amount for each one-tenth of a Solaris share so issued that is equal to the exercise price under the Equinox warrant multiplied by one-tenth. A total of 123,587,166 Equinox warrants were outstanding at the time of the Arrangement exercisable into 12,358,717 Solaris shares.

As the shareholders of Equinox continue to hold their respective interests in Solaris, there was no resultant change of control in either Company, or the underlying assets acquired. As such, the Arrangement was considered a capital reorganization and was excluded from the scope of IFRS 3, *Business Combinations.*

Under the continuity of interest basis of accounting, the assets and liabilities transferred are recorded at their pre-arrangement carrying values. The statements of comprehensive income and loss and income include the allocated expenditures from the net assets acquired.

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

2. PLAN OF ARRANGEMENT (CONTINUED)

The carrying value of the net assets received pursuant to the Arrangement at August 3, 2018 are as follows:

Cash (including $500 due from Equinox on closing)	$	618
Accounts receivable and other assets		32
Exploration and evaluation assets		20,180
Property, plant and equipment		48
Accounts payable and accrued liabilities		(123)
Due to Equinox		(361)
Carrying value of net assets		20,393
Non-controlling interest		(7,903)
Subtotal		12,490
Equinox contribution		20,186
Value of shares issued	$	32,676

3. BASIS OF PREPARATION

(a) Statement of compliance and basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, and do not include all of the information required for full annual financial statements prepared using International Financial Reporting Standards ("IFRS"). These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are recognized at fair value. IFRS accounting policies which became effective for the Company on completion of the Arrangement and were not previously referenced in the December 31, 2017 financial statements are included in Note 5.

These condensed consolidated interim financial statements have been prepared on a continuity of interest basis of accounting following the Arrangement, which requires that prior to the August 3, 2018 effective date thereof, the assets, liabilities, results of operations and cash flows of the Company be on a "carve out" basis from the consolidated financial statements and accounting records of Equinox, in accordance with the financial reporting framework specified in subsection 3.11(6) of National Instrument 52-107 – *Acceptable Accounting Principles and Auditing Standards,* for carve-out financial statements.

These condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors on[November 29, 2018.

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

3. BASIS OF PREPARATION (CONTINUED)

(b) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries as described below:

Company	Location	Ownership Interest
Lowell Copper Holdings Inc.	Canada	100%
Lowell Copper Holdings (US) Inc.	Canada	100%
Lowell Mineral Exploration Ecuador S.A.	Ecuador	100%
Mineral Ricardo Resources Inc. S.A.	Chile	100%
Lowell Copper S.A.C.	Peru	100%
Mineral Gabriella S.A. de C.V.	Mexico	100%
Ascenso Inversionaes S.A.	Guatemala	100%
Catalyst Copper Corp.	Canada	100%
Minera Torre de Oro SAPI de CV	Mexico	60%
Minera Hill 29 S.A. de C.V	Mexico	100%

(c) Function and presentation currency

Except as otherwise noted, these financial statements are presented in United States dollars ("US dollars"), the functional currency of the Company and its subsidiaries.

Transactions in foreign currencies are initially recorded into the functional currency by applying the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the date of the statement of financial position. Non-monetary assets and liabilities are translated at historical exchange rates, unless the item is carried at fair value, in which case it will be translated at the exchange rate in effect at the date when the fair value was determined. Resulting foreign exchange gains and losses are recognized in income or loss. Foreign currency gains and losses are reported on a net basis.

(d) Accounting pronouncements not yet adopted

IFRS 16 – Leases

On January 1, 2019, the Company will adopt IFRS 16 – Leases ("IFRS 16"), replacing IAS 17 – Leases. The new standard introduces significant changes to how lessees account for leases and aims to bring most leases into which a lessee has entered on-balance sheet. IFRS 16 is likely to result in increases to both the asset and liability positions of lessees, as well as affect the reported depreciation expense, finance costs and classification of cash flows of these entities.

It is not possible at this time for the Company to make reasonable quantitative estimates of the effects of adoption of IFRS 16 but the Company does not expect the standard to have a material impact on the consolidated financial statements.

4. USE OF JUDGMENTS AND ESTIMATES

In preparing these condensed consolidated interim financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ.

Measurement of the Company's assets and liabilities is subject to risks and uncertainties, including ones related to: reserve and resource estimation; title to mineral properties; future commodity prices; estimated costs of future production; future cost of reclamation activities; changes in government legislation and regulations; estimate future income tax amounts; the availability of financing; and various operational factors. Estimates that have the most significant effect on the amounts recognized in the Company's consolidated interim financial statements are as follows:

(a) Carve-out basis of accounting

The preparation of these condensed consolidated interim financial statements pursuant to the carve-out basis of accounting as described in Note 3 requires the identification and allocation of the pre-arrangement assets, liabilities, results from operations and cash flows of the Equinox subsidiaries. For 2018, the individual books and records of each subsidiary described in Note 3(b) identified the assets, liabilities, results from operations and cash flows. The comparative carve-out 2017 information required management to allocate, on a pro-rata basis, the exploration and other expenditures which required estimates and judgements in performing the allocation.

(b) Determination of functional currencies

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. The Company has determined the functional currency of each entity is the US dollar. Assessment of functional currency involves certain judgements to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

(c) Valuation of mineral properties

The Company carries the acquisition costs of its mineral properties at cost less any provisions for impairment. The Company undertakes periodic reviews of the carrying values of mineral properties and whenever events or changes in the circumstances indicate that their varying values may exceed their fair value. In undertaking these reviews, management of the Company is required to make significant estimates. These estimates are subject to various risks and uncertainties, which may ultimately have an effect on the expected recoverability of the carrying values of the mineral properties and related expenditures.

(d) Share-based compensation

The Company utilizes the Black-Scholes Option Pricing Model ("Black-Scholes") to estimate the fair value of stock options granted to directors, officers and employees. The use of Black-Scholes requires management to make various estimates and assumptions that impact the value assigned to the stock options including the expected volatility of the stock price, the risk-free interest rate, dividend yield, the expected life of the stock options and the number of options expected to vest. Any changes in these assumptions could change the amount of share-based compensation recognized. Significant assumptions related to share-based payments are disclosed in note 9.

5. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies are in addition to those described in the December 31, 2017 financial statements.

(a) Plant and equipment:

Plant and equipment is carried at cost less accumulated amortization and accumulated impairment losses. The cost of an item of plant and equipment consist of purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, initial estimates of the costs of dismantling and removing an item and restoring the site on which it is located, and, where applicable, borrowing costs.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Plant and equipment, including major components, are depreciated using the straight-line method over their estimated useful lives, typically ranging from 5 to 10 years.

The Company conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for property, plant and equipment and any changes arising from the assessment are applied by the Company prospectively.

(b) Derivative liabilities:

Derivatives are initially recognized at their fair value on the date the derivative contract is entered into and transaction costs are expensed. The Company's derivatives are subsequently re-measured at their fair value at each statement of financial position date with changes in fair value recognized in net income or loss.

As the exercise price of certain of Equinox's share purchase warrants is fixed in Canadian dollars, and the functional currency of the Company is the US dollar, these warrants are considered a derivative as a variable amount of cash in the Company's functional currency will be received from Equinox on exercise. Accordingly, these share purchase warrants are classified and accounted for as a derivative liability. The fair value of the warrants is determined using the Black Scholes option pricing model at the period-end date or the market price on the TSX-V for warrants that are trading.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to their host contracts.

(c) Share capital:

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from equity, net of any tax effects. Proceeds related to the issuance of units are allocated between the common shares and warrants on a relative fair value basis where warrants are classified as equity instruments. For warrants classified as derivative liabilities, the fair value of the warrants is determined with the residual amount allocated to the common shares.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Share-based payments:

Stock options

The Company grants stock options to acquire common shares to directors, officers and employees. The board of directors determines the specific grant terms within the limits set by the Company's stock option plan.

The fair value of the estimated number of stock options that will eventually vest, determined as of the date of the grant, is recognized as share-based compensation expense over the vesting period of the stock options, with a corresponding increase in shareholders' equity (in other reserves). The total amount recognized as an expense is adjusted to reflect the number of options expected to vest at each reporting date.

The cost of the stock options is measured using the estimated fair value at the date of the grant determined using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires the input of subjective assumptions, including the expected term of the option and stock price volatility. The expected term of the options granted is determined based on historical data on the average hold period before exercise, cancellation or expiry. Expected volatility is estimated with reference to the historical volatility of the share price of the Company. These estimates involve inherent uncertainties and the application of management judgment.

Restricted share units

The Company grants to employees, officers, directors and consultants, RSUs in such numbers and for such terms as may be determined by the Board. RSUs granted under the RSU Plan are exercisable into common shares for no additional consideration after the vesting conditions, as specified by the Board, are met. The Company intends to settle each RSU with one common share of the Company and therefore RSUs are accounted for as equity-settled instruments.

RSUs are measured at fair value on the date of grant and the corresponding share-based compensation is recognized over the vesting period in cost of sales, exploration or general and administration expenses, as applicable.

In addition to service conditions, RSUs may have performance-based vesting conditions ("pRSU"). Share based compensation for these pRSUs is measured on the grant date but is recognized only when it is more likely than not that the performance vesting conditions will be met.

(e) Earnings per share:

Basic earnings (loss) per share ("EPS") is calculated by dividing the income or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by adjusting the income or loss attributable to common shareholders and the weighted average number of shares outstanding for the effects of all dilutive potential common shares, which comprise warrants, options and RSUs. The dilutive effect of warrants, options and RSUs assumes that the proceeds to be received on exercise are applied to repurchase common shares. Dilutive warrants, options and RSUs are only included in the dilutive calculations to the extent exercise prices are below the average market price of the common shares. Shares issuable on the exercise of options, RSUs and Equinox warrants totaling 14,502,859 were not included in the computation of diluted EPS because they are anti-dilutive.

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

6. EXPLORATION AND EVALUATION ASSETS

	Note		September 30, 2018		December 31, 2017
La Verde (Mexico)	(a)		19,741		19,741
Warintza (Ecuador)	(b)		188		188
Ricardo (Chile)	(c)		251		251
Exploration and evaluation assets		$	20,180	$	20,180

(a) La Verde

La Verde is situated in the Sierra Madre del Sur west of Mexico City in Michoacán State, Mexico and consists of the Unificación Santa Maria claim. The project is held 60% by the Company and 40% by Teck Resources Ltd. The joint venture agreement governing the operation and funding of La Verde was formalized effective February 28, 2015. The Agreement provides that Equinox will be the operator of the project. The Agreement further provides for dilution of either parties' ownership should funding not be provided in accordance with their respective participating interests.

(b) Warintza

The Warintza project is located in south eastern Ecuador in the province of Morona Santiago, Canton Limon Indanza. It consists of eight mining concessions (the "Concessions") covering a total of 26,777 hectares. The Concessions expire between September 2031 to May 2032 and are subject to a 2% net smelter royalty held by Billiton Ecuador B.V. The Concessions can be renewed for an additional period of 25 years.

Warintza is located in a corridor of mineralization that is known to host numerous exploration and development-stage projects with copper, copper-gold, copper-molybdenum and high-grade gold mineralization including the Mirador Cu-Au development project currently under development by CRCC-Tongguan Investment (formerly owned by Corriente Resources). Step–out drilling at Warintza Central has the potential to extend the known mineralized zone and expand the existing copper resource. The Company is currently in discussions with the applicable regulatory officials in Ecuador and the Shuar Indian Community to proceed with further exploration and development of the project.

(c) Ricardo

The Company owns a 100% interest in the Ricardo property, an early stage exploration porphyry copper prospect located near Calama, Chile in the Calama Mining District. The Ricardo claim block covers approximately 16,000 hectares.

Subsequent to quarter-end, on October 18, 2018, Solaris Copper announced that its wholly-owned subsidiary, Minera Ricardo Resources Inc. SA. ("MRRI"), had entered into a definitive earn-in option agreement (the "Option Agreement") with Minera Freeport-McMoRan South America Limitada ("Freeport") with respect to Ricardo.

The Option Agreement provides for a three-staged process by which Freeport can earn up to an 80% interest in the Ricardo property for gross expenditures of $130 million or $30 million plus the delivery of a feasibility study for a mine at Ricardo.

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

7. PLANT AND EQUIPMENT

	Field Equipment	Office Equipment	Total
COST			
Balance, December 31, 2017	$ 115	$ 36	$ 151
Additions	-	7	7
Disposals	-	-	-
Balance, September 30, 2018	115	43	158
ACCUMULATED AMORTIZATION			
Balance, December 31, 2017	$ 86	$ 22	$ 108
Additions	1	1	2
Disposals	-	-	-
Balance, September 30, 2018	87	23	110
Net Book Value, December 31, 2017	$ 29	$ 13	$ 43
Net Book Value, September 30, 2018	$ 28	$ 20	$ 48

8. DERIVATIVE LIABILITIES

The fair value of the shares issuable by Solaris on exercise of Equinox Warrants is determined using the Black Scholes option pricing model at the period end date or the market price on the TSX-V for warrants that are trading, with a percentage allocated to Solaris.

The fair value of 43.1 million non-traded Equinox Warrants was calculated with the following weighted average assumptions:

	September 30, 2018	August 3, 2018
Risk-free rate	2.1%	2.1%
Expected life	2.45 years	2.6 years
Expected volatility	50.5%	51.8%
Expected dividend	Nil	Nil
Share price (C$)	$ 1.02	$ 1.15

The fair value of 80.5 million traded Equinox Warrants was based on the market price of C$0.15 per Equinox Warrant on September 30, 2018 (August 3, 2018 – C$0.18).

A reconciliation of the liability is as follows:

Balance, December 31, 2017	$ -
Value of the derivative liability on August 3, 2018, pursuant to the Arrangement with Equinox	368
Change in value of traded warrants	(27)
Change in value of non-traded warrants	(50)
Warrant exercises	-
Balance, September 30, 2018	$ 291

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

9. SHARE CAPITAL

(a) Authorized and issued

The Company is authorized to issue an unlimited number of common shares with no par value. At September 30, 2018, 74,487,656 common shares were issued and outstanding.

(b) Share purchase options

As part of the Arrangement, option holders of Equinox received options of Solaris which are proportionate to, and reflective of the terms of, their existing options of Equinox. A total of 14,722,498 stock options are outstanding with each option entitling the holder to 1/10th of a Solaris share. A total of 1,472,220 shares are issuable by Solaris with the following terms:

Outstanding					Exercisable	
Range of exercise price per option (C$)	Number of options outstanding	Number of shares issuable	Weighted average exercise price per option (C$)	Weighted average remaining contractual life (years)	Number of shares issuable	Weighted average exercise price per option (C$)
$0.01 - $0.05	6,443,900	644,387	$ 0.03	2.40	641,782	$ 0.03
$0.06 - $0.10	5,678,160	567,804	0.06	3.85	410,828	0.06
$0.11 - $0.52	2,600,438	260,029	0.17	1.86	260,019	0.17
	14,722,498	1,472,220			1,312,639	

The weighted average exercise price of options exercisable at September 30, 2018, was C$0.07, with each option entitling the holder to 1/10th of a Solaris share. The weighted average exercise price attributable to the issue of a whole Solaris share was C$0.70.

(c) Share purchase warrants

At September 30, 2018, the Company had 12,182,943 shares issuable for share purchase warrants held by Equinox.

(d) Restricted share units

As part of the Arrangement, RSU holders of Equinox received RSUs of Solaris which are proportionate to, and reflective of the terms of, their existing RSUs of Equinox. A total of 897,009 RSUs were issued by Solaris in accordance with the Arrangement.

At September 30, 2018, the Company had 847,969 RSUs outstanding.

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

10. EXPLORATION EXPENDITURES

	Three months ending September 30, 2018	Three months ending September 30, 2017	Nine months ending September 30, 2018	Nine months ending September 30, 2017
Personnel and travel	$ 159	$ 126	$ 631	$ 379
Depreciation	1	1	2	2
Field and general	166	82	366	179
Community	174	95	534	203
Concession fees	2	-	399	340
	$ 502	$ 304	$ 1,932	$ 1,103

11. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ending September 30, 2018	Three months ending September 30, 2017	Nine months ending September 30, 2018	Nine months ending September 30, 2017
Professional fees	$ 25	$ 14	$ 100	$ 24
Stock based compensation	32	-	32	-
Marketing and travel	10	-	10	-
Office and other	32	10	84	42
	$ 99	$ 24	$ 226	$ 66

12. LOSS PER SHARE

	Three months ending September 30, 2018	Three months ending September 30, 2017	Nine months ending September 30, 2018	Nine months ending September 30, 2017
Net loss attributable to Solaris shareholders	$ 460	$ 329	$ 1,995	$ 1,663
Weighted average number of shares outstanding	46,942,456	-	15,819,436	-
Basic and diluted loss per share	$ 0.01	$ -	$ 0.13	$ -

All of the outstanding share options, warrants and RSUs were anti-dilutive for the three and nine months ended September 30, 2018 as the Company was in a loss position. For the three and nine months ended September 30, 2017, there were no outstanding shares and therefore no loss per share can be calculated.

13. SEGMENTED INFORMATION

Information about the Company's assets and liabilities by business segment is as follows:

	La Verde	Warintza	Ricardo	Other	Total
September 30, 2018					
Total assets	$ 19,826	$ 322	$ 283	$ 235	$ 20,666
Total liabilities	18	49	11	2,569	2,647
December 31, 2017					
Total assets	$ 19,818	193	302	39	20,352
Total liabilities	5	82	18	39	144

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

13. SEGMENTED INFORMATION (CONTINUED)

Information about the Company's assets and liabilities by business segment is as follows:

Information about the Company's non-current assets by jurisdiction is detailed below:

		September 30, 2018		December 31, 2017
Ecuador	$	194	$	189
Chile		262		262
Mexico		19,771		19,771
Peru		1		1
Canada		-		-
	$	20,228	$	20,223

Information about the Company's exploration expenditures by property are as follows:

		Three months ending September 30,				Nine months ending September 30,		
		2018		2017		2018		2017
Warintza (Ecuador)	$	327	$	171	$	1,304	$	682
La Verde (Mexico)		69		-		110		-
Ricardo (Chile)		13		21		192		140
Other		93		112		326		281
	$	502	$	304	$	1,931	$	1,103

14. FAIR VALUE MEASUREMENTS

As at September 30, 2018, traded warrants are measured at fair value using Level 1 inputs and non-traded warrants are measured at fair value using Level 2 inputs. The carrying values of cash and cash equivalents, accounts receivable, reclamation bond, and accounts payable and accrued liabilities approximate fair value due to their short terms to maturity.

The fair value of the traded warrants is measured based on the quoted market price of the warrants at each reporting date. The fair value of the non-traded warrants is determined using an option pricing formula (note 8).

There were no transfers between fair value levels during the periods presented.

(Unaudited, expressed in thousands of United States dollars, except share and per share amounts)

14. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table provides the fair value of each classification of financial instrument:

		September 30, 2018		December 31, 2017
Financial assets:				
Loans and receivables				
Cash and cash equivalents	$	262	$	92
Other receivables		61		37
Due from Equinox		115		-
Total financial assets		438		129
Financial liabilities at FVTPL:				
Traded warrants		140		-
Non-traded warrants		151		-
Other:				
Accounts payable and accrued liabilities		133		144
Due to Equinox		573		-
Total financial liabilities	$	997	$	144

15. RELATED PARTY TRANSACTIONS

Equinox holds 40% of the outstanding shares of Solaris. During the nine months ended September 30, 2018, the Company received $2,409 (2017 - $1,228) in funding from Equinox. Upon closing of the Arrangement the Company entered into a Management Services Agreement with Equinox to provide office and other services to the Company.

16. COMMITMENTS AND CONTINGENCIES

At September 30, 2018, the Company had the following contractual obligations outstanding:

		Total		Within 1 year		1-2 years		2-3 years		3-4 years		4–5 years		Thereafter
Accounts payable and accrued liabilities	$	133	$	133	$	-	$	-	$	-	$	-	$	-
Due to Equinox		573		-		573		-		-		-		-
Total	$	706	$	133	$	573	$	-	$	-	$	-	$	-

17. ADOPTION OF NEW IFRS PRONOUNCEMENTS

The Company has adopted the new IFRS pronouncements listed below as at January 1, 2018, in accordance with the transitional provisions outlined in the respective standards and described below. The adoption of these new IFRS pronouncements has resulted in adjustments to previously reported figures as outlined below.

17. ADOPTION OF NEW IFRS PRONOUNCEMENTS (CONTINUED)

IFRS 9, Financial Instruments ("IFRS 9")

The Company adopted IFRS 9 on January 1, 2018 in accordance with the transitional provisions of the standard, applying a full retrospective approach in restating our prior period financial information. The Company has elected not to adopt the hedging requirements of IFRS 9 at this time but may adopt them in a future period.

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39").

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: (i) those measured at fair value through profit and loss; (ii) those measured at fair value through other comprehensive income; and (iii) those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income. Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial assets are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial assets. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

Classification and measurement changes

The Company has assessed the classification and measurement of its financial assets and financial liabilities under IFRS 9 and has summarized the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 in the following table:

Financial asset	**New classification under IFRS 9**	**Previous classification under IAS 39**
Cash and cash equivalents	Amortized cost	Loans and receivables – amortized cost
Accounts receivable and deposits	Amortized cost	Loans and receivables – amortized cost
Other receivables	Amortized cost	Loans and receivables – amortized cost

Financial liability	**New classification under IFRS 9**	**Previous classification under IAS 39**
Accounts payable and accrued liabilities,	Financial liabilities – amortized cost	Other financial liabilities – amortized cost
Derivative liabilities	Fair value through profit or loss	Fair value through profit or loss

17. ADOPTION OF NEW IFRS PRONOUNCEMENTS (CONTINUED)

There has been no change in the carrying value of the Company's financial instruments resulting from the changes to the measurement categories in the table noted above.