Outrider Energy

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2016 and 2015

(Expressed in Canadian Dollars)

Management's Comments on Unaudited Condensed Consolidated Interim Financial Statements

The accompanying unaudited condensed consolidated interim financial statements of Outrider Energy Corp. for the six month period ended June 30, 2016 have been prepared by the Company's management and approved by the Audit Committee and Board of Directors of the Company.

The accompanying unaudited condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

OUTRIDER ENERGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	June 30, 2016 $	December 31, 2015 $
ASSETS		
Current assets		
Cash and cash equivalents	239,433	168,822
Other receivables and prepaid expenses	8,304	3,641
	247,737	172,463
Equipment (Note 3)	1,509	1,775
	249,246	174,238
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	21,990	7,901
	21,990	7,901
SHAREHOLDERS' EQUITY		
Share capital (Note 4)	2,121,107	2,009,999
Accumulated other comprehensive loss	(4,773)	(4,773)
Deficit	(1,889,078)	(1,838,889)
	227,256	166,337
	249,246	174,238

NATURE OF OPERATIONS (Note 1)

"John G. Proust" , Director   *"Eileen Au"* , Director

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

OUTRIDER ENERGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
	$	$	$	$
Administrative and management (Note 5)	12,000	6,000	24,000	12,000
Amortization (Note 3)	133	191	266	381
Audit and accounting	2,399	5,400	4,274	10,400
Consulting	-	6,000	-	17,074
Filing and regulatory	4,801	5,028	7,155	13,442
Insurance	1,688	1,907	3,496	3,695
Legal	3,966	4,962	9,216	6,910
Office and miscellaneous	653	5,555	862	7,598
Rent	-	-	-	500
Salary and benefits (Note 5)	-	13,026	-	21,051
	25,640	48,069	49,269	93,051
OTHER ITEMS				
Interest income	-	(390)	-	(1,037)
Loss (gain) on foreign exchange	70	180	920	(796)
	70	(210)	920	(1,833)
TOTAL LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	25,710	47,859	50,189	91,218
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	2,153,433	1,472,115	1,812,774	1,472,115
LOSS PER SHARE - BASIC AND DILUTED	(0.01)	(0.03)	(0.03)	(0.06)

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

OUTRIDER ENERGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Number of Issued and Outstanding Shares	Share Capital $	Accumulated Other Comprehensive Loss $	Deficit $	Total Equity $
Balance as at December 31, 2014	1,472,115	2,009,999	(4,773)	(1,708,843)	296,383
Net loss of the period	-	-	-	(91,218)	(91,218)
Balance as at June 30, 2015	1,472,115	2,009,999	(4,773)	(1,800,061)	205,165

	Number of Issued and Outstanding Shares	Share Capital $	Accumulated Other Comprehensive Loss $	Deficit $	Total Equity $
Balance as at December 31, 2015	1,472,115	2,009,999	(4,773)	(1,838,889)	166,337
Common shares issued at $0.1125	999,999	112,500	-	-	112,500
Share issuance cost	-	(1,392)	-	-	(1,392)
Net loss of the period	-	-	-	(50,189)	(50,189)
Balance as at June 30, 2016	2,472,114	2,121,107	(4,773)	(1,889,078)	227,256

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

OUTRIDER ENERGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Six Months Ended June 30, 2016 $	Six Months Ended June 30, 2015 $
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net loss for the period	(50,189)	(91,218)
Adjustments for:		
Amortization	266	381
Accrued interest income	-	(634)
Changes in working capital:		
Other receivables and prepaid expenses	(4,663)	3,609
Accounts payable and accrued liabilities	14,089	(23,617)
	(40,497)	(111,479)
INVESTING ACTIVITY		
Redemption of short-term investment	-	100,000
	-	100,000
FINANCING ACTIVITY		
Share issuance, net of share issuance cost	111,108	-
	111,108	-
DECREASE IN CASH DURING THE PERIOD	70,611	(11,479)
CASH - BEGINNING OF PERIOD	168,822	66,230
CASH - END OF PERIOD	239,433	54,751

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

1. NATURE OF OPERATIONS

Outrider Energy Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on December 17, 2007. The Company is a junior resource company engaged in the acquisition and exploration of unproven resource interests. The common shares of the Company are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "MCF".

The Company will require additional capital to fund its future property acquisitions and exploration programs as well as for administrative purposes. If management is unable to obtain additional funding, the Company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these financial statements.

These condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. 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.

These condensed consolidated interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The address of the Company's principal place of business is Suite 3123, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with IFRS as issued by the IASB and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2015 ("2015 Annual Financial Statements"), which have been prepared in accordance with IFRS.

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and effective as at the date the Board of Directors approved these financial statements for issue.

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with those used in the 2015 Annual Consolidated Financial Statement and were authorized for issue by the Board of Directors (the "Board") on August 26, 2016.

Basis of Measurement

The financial statements have been prepared on the historical cost convention, except for financial assets classified as available for sale and fair value through profit and loss ("FVTPL") which are measured at fair value. These financial statements have been prepared using the accrual basis of accounting, except for cash flow information and are presented in Canadian dollars.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Consolidation

These condensed consolidated interim financial statements include the financial statements of the Company and its wholly owned and controlled, U.S. incorporated subsidiary, Outrider Energy (U.S.A.), Inc. Control exists when the Company has the power directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All inter-company balances have been eliminated upon consolidation. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

New Standards, Amendments and Interpretations Issued

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2016, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The standards and interpretations that are issued, but not yet effective, up to the date of authorization of these financial statements are disclosed below. Management anticipates that all of the pronouncements will be adopted in the accounting policy for the first period beginning after the effective date of the pronouncement.

The Company continues to evaluate the impact the implementation of these standards will have on the financial statements.

<u>Accounting standards anticipated to be effective in future periods:</u>

- IFRS 9 - Financial Instruments. This IFRS introduces new requirements for classifying and measuring financial assets and liabilities and carries over from the requirements of IAS 39 - Financial Instruments: Recognition and measurement, derecognition of financial assets and financial liabilities. The required adoption date for IFRS 9 is January 1, 2018.

- IFRS 15 - Revenue from Contracts with Customers. This IFRS establishes principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. IFRS 15 will be effective for annual periods beginning on or after January 1, 2017, with early adoption permitted.

- IFRS 16 – Leases. This IFRS, which supersedes IAS 17 – Leases, specifies how to recognize, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted if IFRS 15, has also been applied.

(Expressed in Canadian Dollars)

3. EQUIPMENT

	Computer **$**
Cost	
Balance, December 31, 2014	3,752
Additions	-
Balance, December 31, 2015	3,752
Additions	-
Balance, June 30, 2016	3,752
Accumulated amortization	
Balance, December 31, 2014	1,216
Charge for the period	761
Balance, December 31, 2015	1,977
Charge for the period	266
Balance, June 30, 2016	2,243
Net carrying value	
Balance, December 31, 2015	**1,775**
Balance, June 30, 2016	**1,509**

4. SHARE CAPITAL

On April 29, 2016, the Company completed a non-brokered private placement of an aggregate 999,999 units at a price of $0.1125 per Unit, for gross proceeds of $112,500. Each Unit is comprised of one common share and one transferable share purchase warrant. Each Warrant is exercisable into one additional common share at an exercise price of $0.15 per share for a period of five years. Share issuance cost of $1,392 was incurred in connection with this non-brokered private placement.

On March 26, 2015, the Company consolidated its issued and outstanding common shares such that every 20 existing shares have been consolidated into one new share. The Company's warrants have also been adjusted to account for the consolidation in accordance with the terms and conditions of such warrants.

The Company has an unlimited number of common shares without par value authorized for issuance.

	Number of Issued and Outstanding Shares	Share Capital $
As at December 31, 2015	1,472,115	2,009,999
As at June 30, 2016	2,472,114	2,121,107

(Expressed in Canadian Dollars)

4. SHARE CAPITAL (continued)

Pursuant to the terms of a Voluntary Pooling Agreement between the unit holders subscribing to the July 3, 2013 private placement (the “Unitholders”), certain shareholders holding 54,989 common shares (the “Existing Shareholders”), the pooling agent, and the Company, the shares, warrants, warrant shares and existing shares were placed on deposit on July 3, 2013. The pooled securities will be held by the pooling agent and released subject to the provisions of the agreement on the date that is three years from the closing date. The release date may be changed to an earlier date or the pooled securities may be released in tranches in such amounts and on such dates as agreed to in writing by two-thirds of the Unitholders on the closing date. Effective April 7, 2015, the terms and conditions contemplated by section 10 of the pooling agreement have now terminated. The securities issued are no longer subject to the resale and transfer restrictions originally contemplated by the pooling agreement and accordingly have been released from the pool.

Warrants

A summary of warrants granted is presented below:

	Number of warrants	Weighted average exercise price $
Outstanding as at December 31, 2015	1,000,000	2.00
Outstanding as at June 30, 2016	1,999,999	1.08

As at June 30, 2016, the Company had share purchase warrants outstanding enabling holders to acquire common shares as follows:

	Number of shares	Exercise price $	Expiry date	Weighted average contractual life (years)
Warrants	1,000,000	2.00	July 3, 2018	2.01
Warrants	999,999	0.15	April 29, 2021	5.57

Stock Option Plan

The 2008 Share Option Plan (the “Plan”) was adopted by the Company’s board of directors on May 12, 2008. The Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance under the Plan may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of share options (including all share options granted by the Company to date). The exercise price of each share option is based on the market price of the Company’s common share at the date of the grant.

As at June 30, 2016, there were no stock options outstanding (December 31, 2015: Nil).

(Expressed in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS

Key management and personnel compensation

The key management personnel include the directors and officers of the Company. Key management compensation consists of the following:

	June 30, 2016	June 30, 2015
	$	$
Salary paid to key management and included in salary and benefits	-	21,051
Management fees	24,000	12,000
	24,000	33,051

During the period ended June 30, 2016, the Company paid $24,000 (June 30, 2015: $12,000) for administrative and management services to a private company controlled by a director of the Company.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

At June 30, 2016, the Company's financial instruments consisted of cash, other receivables, and accounts payable and accrued liabilities. Fair value estimates are made at the reporting date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and may involve significant uncertainties in matters of judgement and, therefore, cannot be determined with precision.

The Company's financial instruments have been classified as follows under IFRS:

- Cash and cash equivalents: fair value through profits and loss
- Other receivables: loans and receivable
- Account payable and accrued liabilities: other financial liabilities

The types of financial risk exposure and the way in which such exposure is managed by the Company is as follows:

Credit Risk – It is management's opinion that the Company is not exposed to significant credit risk arising from these financial instruments. The Company's exposure to credit risk on its cash and cash equivalents and short-term investments is limited by maintaining these assets with high-credit quality financial institutions.

Liquidity Risk – Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its obligations. The Company typically forecasts cash flows for a period of 12 months to identify financial requirements. These requirements are met through a combination of cash on hand, disposition of assets and accessing capital markets.

At June 30, 2016, the Company's current liabilities consisted of accounts payable and accrued liabilities of $21,990. The Company's cash balance of $239,433 at June 30, 2016 is sufficient to pay these current liabilities and to meet projected financial requirements for a period of 12 months subsequent to the reporting date.

Market Risks – The only significant market risks to which the Company is exposed are those of interest rate and foreign currency risk.

Interest Rate Risk – Interest rate risk is the risk that the future cash flows of the Company will fluctuate because of changes in market interest rates. Based on the Company's cash and cash equivalents at June 30, 2016, and assuming that all other variables remain constant, a 1% increase or decrease in interest rates would result in no decrease or increase to the Company's net loss (on an annualized basis).

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Foreign Currency Risk – The Company operates in the United States and is exposed to foreign currency risk relating to United States dollars, from purchases and loans that are denominated in currencies other than the respective functional currencies of the Company's subsidiary. The Company's subsidiary has a United States dollar functional currency, with net assets that are exposed to foreign currency translation risk. The Company has elected not to actively manage this exposure at this time. For the period ended June 30, 2016, with other variables unchanged, a 1% strengthening of the United States dollar against the Canadian dollar would result in no decrease or increase to the Company's net loss and comprehensive loss.