

SOLARIS COPPER INC.

Condensed Combined Interim Financial Statements

For the three and six months ended June 30, 2018 and June 30, 2017

(Unaudited)

NOTICE TO READER

The accompanying unaudited condensed combined interim financial statements of Solaris Copper Inc. have been prepared by, and are the responsibility of, the Company's management and have not been reviewed by an independent auditor.

SOLARIS COPPER INC.

Condensed Combined Interim Statements of Financial Position (unaudited)

(Expressed in thousands of United States dollars)

	Note	June 30, 2018	December 31, 2017
Assets			
Current assets:			
Cash		\$ 57	\$ 92
Other assets		32	37
		89	129
Exploration and evaluation assets	3	20,226	20,223
		\$ 20,315	\$ 20,352
Liabilities and Equity			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 109	\$ 144
Equity			
Net parent investment		12,303	12,289
Non-controlling interest		7,903	7,919
		20,206	20,208
		\$ 20,315	\$ 20,352

Going concern (note2(b))

Contingencies (note 5)

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

SOLARIS COPPER INC.

Condensed Combined Interim Statements of Loss and Comprehensive Loss (unaudited)

(Expressed in thousands of United States dollars)

	Note	Three-months ended June 30,		Six-months ended June 30,	
		2018	2017	2018	2017
Expenses:					
Exploration and evaluation expenditures	3	\$ 538	\$ 367	\$ 1,430	\$ 798
Office and administration		59	22	127	54
		597	389	1,557	852
Foreign exchange and other		(2)	(3)	(7)	(7)
Net loss and comprehensive loss		\$ 595	\$ 386	\$ 1,550	\$ 845
Net loss and comprehensive loss attributable to:					
Parent		\$ 590	\$ 386	\$ 1,534	\$ 845
Non-controlling interest		5	-	16	-
		\$ 595	\$ 386	\$ 1,550	\$ 845

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

SOLARIS COPPER INC.

Condensed Combined Interim Statements of Cash Flows (unaudited)

(Expressed in thousands of United States dollars)

	Three-months ended June 30,		Six-months ended June 30,	
	2018	2017	2018	2017
Cash provided by (used in):				
Operations:				
Net loss for the period	\$ (595)	\$ (386)	\$ (1,550)	\$ (845)
Adjustments for:				
Depreciation	-	-	1	1
Changes in non-cash working capital:				
Other assets	4	2	5	-
Accounts payable and accrued liabilities	17	106	(35)	24
	(574)	(278)	(1,579)	(820)
Investing:				
Purchase of equipment	-	-	(4)	-
Financing:				
Contribution from parent	500	430	1,548	710
Net Increase in cash	(74)	152	(35)	(110)
Cash, beginning of period	131	95	92	357
Cash, end of period	\$ 57	\$ 247	\$ 57	\$ 247

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

SOLARIS COPPER INC.

Condensed Combined Interim Statements of Changes in Net Parent Investment (unaudited)

(Expressed in thousands of United States dollars)

Balance January 1, 2018	\$	12,289
Cash contribution from parent		1,548
Net loss and comprehensive loss		(1,534)
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Balance June 30, 2018	\$	12,303

Balance January 1, 2017	\$	509
Cash contribution from parent		710
Net loss and comprehensive loss		(845)
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Balance June 30, 2017	\$	374

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

SOLARIS COPPER INC.

Notes to Condensed Combined Interim Financial Statements (unaudited)

(Expressed in thousands of United States dollars)

For the three and six months ended June 30, 2018 and June 30, 2017

1. Corporate information and basis of preparation

Solaris Copper Inc. ("Solaris") was incorporated under the Business Corporations Act of British Columbia on June 18, 2018. The ultimate parent of Solaris at June 30, 2018 was Equinox Gold Corp. ("Equinox").

Subsequent to June 30, 2018, 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 ("Plan of Arrangement"). The Plan of Arrangement was approved and effective on August 3, 2018.

Solaris is the successor company to Lowell Copper. References to the "Company" in these condensed combined interim financial statements are to Solaris as a continuity of interests of Lowell Copper, its subsidiaries, and the Equinox Subsidiaries. These condensed combined interim financial statements are as at and for the three and six month periods ended June 30, 2018 and 2017 and reflect the combined financial position and results of operations of the Equinox Subsidiaries from the date they were under the common control of Equinox. On December 22, 2017, Catalyst and its parent, NewCastle Gold Ltd. as well as Ascenso and its parent Anfield Gold Corp. were acquired by Equinox. Therefore, these condensed combined interim financial statements include Solaris' results of operations for the periods presented and the results of operations for Catalyst and Ascenso for the three and six months ended June 30, 2018, as this is the period that these entities were also under the common control of Equinox.

The condensed combined interim financial statements do not include assets and liabilities that are not specifically identifiable with Solaris and the Equinox Subsidiaries. Costs directly related to the Equinox Subsidiaries have been attributed to the Equinox Subsidiaries in the condensed combined interim financial statements. The Equinox Subsidiaries also receive services and support functions from Equinox. The Equinox Subsidiaries' operations are dependent upon Equinox's ability to perform these services and support functions.

As at June 30, 2018, the Company's assets consist of Catalyst's 60%-owned La Verde copper exploration property ("La Verde") in Mexico, the Company's 100%-owned Warintza copper-molybdenum exploration property ("Warintza") in Ecuador, 100%-owned Ricardo copper-molybdenum exploration property ("Ricardo") in Chile, and Ascenso's 100%-owned Guatemala land package. During the periods presented in these condensed combined interim financial statements, there were no active exploration expenditures being incurred on the properties, other than expenditures related to maintenance and corporate social responsibility. The Company has not yet determined whether the properties contain mineral reserves where extraction is both technically feasible and commercially viable.

These combined financial statements are prepared to show the continuity of interest of Lowell Copper, its subsidiaries and the Equinox subsidiaries. Management believes the assumptions and allocations underlying the condensed combined interim financial statements are reasonable and appropriate under the circumstances. The expenses and allocations have been determined on a basis considered by Equinox to be a reasonable reflection of the utilization of services provided to or the benefit received by the Equinox Subsidiaries for the periods presented. As a result, these condensed combined interim financial statements are not necessarily indicative of the results that would be attained if the Company had operated as a separate legal entity during the periods presented and are not necessarily indicative of future operating results.

SOLARIS COPPER INC.

Notes to Combined Financial Statements (unaudited)

(Expressed in thousands of United States dollars)

For the three and six months ended June 30, 2018 and June 30, 2017

2. Significant accounting policies and basis of presentation

(a) Statement of compliance and basis of presentation:

These condensed combined interim financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”). Accordingly, these condensed combined interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting process. These condensed combined interim financial statements follow the same accounting policies and methods of application as the Company’s combined financial statements for the year ended December 31, 2017 and should be read in conjunction with the Company’s combined financial statements for the year ended December 31, 2017.

IFRS does not provide guidance for the preparation of combined financial statements, and accordingly in preparing the combined financial statements, certain accounting conventions commonly used for the preparation of historical financial statements have been applied.

These condensed combined interim financial statements were approved and authorized for issuance on September 25, 2018 by the Equinox Board of Directors.

(b) Going concern:

These condensed combined interim financial statements have been prepared on a going concern basis, which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company has incurred operating losses to date and does not generate cash from operations to support its activities. The Company is subject to risks and challenges impacting its operations including, but not limited to, the ability to secure adequate financing to meet expenditure requirements including maintenance costs on its exploration and evaluation assets, and to successfully satisfy its commitments and continue as a going concern. As the Company does not currently have any committed sources of financing, it is dependent on its ultimate parent company for funding its activities. Management believes such funding will be available.

These factors represent material uncertainties that cast substantial doubt on the ability of the Company to continue as a going concern. These condensed combined interim financial statements do not include the adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Any such adjustments may be material.

(c) Basis of combination:

These condensed combined interim financial statements include the accounts of the Company and its controlled subsidiaries and Catalyst and Ascenso, being entities under the common control of Equinox.

Non-controlling interest is the 40% interest in the common shares of Minera Torre de Oro S.A.P.I. de C.V., a subsidiary of Catalyst and holder of La Verde, held by Teck Resources Ltd.

(d) Adoption of new accounting standards:

Effective January 1, 2018, the Company adopted *IFRS 9 – Financial Instruments* and *IFRS 15 – Revenue from Contracts with Customers*. Adoption of these standards did not have any impact on these condensed combined interim financial statements.

SOLARIS COPPER INC.

Notes to Condensed Combined Interim Financial Statements (unaudited)

(Expressed in thousands of United States dollars)

For the three and six months ended June 30, 2018 and June 30, 2017

3. Exploration and evaluation assets

Exploration and evaluation assets are comprised of acquisition costs for the following properties:

	June 30, 2018	December 31, 2017
La Verde	19,771	19,771
Warintza	192	189
Ricardo	262	262
Other	1	1
	\$ 20,226	\$ 20,223

(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.

Mexico has a 0.5% extraordinary mining duty that is applicable on the gross value of sales of precious metals, without any deductions. It also has a 7.5% special mining duty that is applicable to any company with mining concessions. It is calculated based on earnings before income tax, depreciation, depletion, amortization, and interest. In calculating the special mining duty there are no deductions related to development-type costs, but exploration and prospecting costs are deductible when incurred. The extraordinary mining duty and special mining duty will be tax deductible for income tax purposes. The Company has no revenue from operations nor any applicable earnings and accordingly is not currently subject to any mining duty in Mexico.

(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 that were acquired for nominal consideration in July 2004 and January 2017. 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.

Metal sales in Ecuador are subject to government net smelter royalties of 8% for copper and 5% for other base metals. Ecuador requires employee profit sharing that is calculated based on 15% of a company's taxable income. In addition, Ecuador has an Extraordinary Income Tax ("EIT"). EIT applies when two conditions are met: 1) The market price for a given metal exceeds the 'base unit price'. Base unit price is defined as the ten-year inflation adjusted average for a metal plus a standard deviation point; and 2) A mining company has reached discounted payback, that is, generating positive cashflows, including recouping all capital expenditure. EIT is calculated as follows: 70% x units produced x (net unit sales price – base unit sales price). The Company currently has no liability in Ecuador for mining royalties, EIT or employee profit sharing.

(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.

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Notes to Combined Financial Statements (unaudited)

(Expressed in thousands of United States dollars)

For the three and six months ended June 30, 2018 and June 30, 2017

3. Exploration and evaluation assets (continued)

(d) Guatemala land package:

The Company owns a 100% interest in a land package of 764.5 hectares in Guatemala that is currently being operated as a ranch. The carrying value of the land package is \$Nil.

4. Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels in which to classify the inputs of valuation techniques used to measure fair values.

Level 1 – quoted market prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly, such as prices, or indirectly (derived from prices).

Level 3 – inputs are unobservable (supported by little or no market activity) such as non-corroborative indicative prices for a particular instrument provided by a third party.

The carrying values of cash, amounts receivable and accounts payable and accrued liabilities approximate fair value due to their short terms to maturity.

5. Contingencies

Due to the nature of the Company's operations, the Company may become subject to various legal, tax, environmental and regulatory matters. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. While the outcomes of these matters are uncertain, based on upon the information currently available, the Company does not believe that there are any matters that in aggregate will have a material adverse effect on its combined financial statements.