Mongolia Growth Group Ltd.

Condensed Interim Consolidated Financial Statements
(Unaudited)
For the three months ended
March 31, 2018 and 2017
(Expressed in Canadian dollars)

Mongolia Growth Group Ltd.

Condensed Interim Consolidated Statements of Financial Position
(Unaudited)

As at March 31, 2018

(expressed in Canadian dollars)

	March 31, 2018 $	December 31, 2017 $
Assets		
Current assets		
Cash (note 5)	721,372	1,640,771
Marketable securities (note 6)	3,443,901	2,816,624
Other assets (note 7)	460,474	406,019
	4,625,747	4,863,414
Non-current assets		
Investment properties (note 8)	23,813,855	22,887,521
Property and equipment (note 9)	1,702,989	1,654,896
	25,516,844	24,542,417
Total assets	**30,142,591**	**29,405,831**
Liabilities		
Current liabilities		
Trade payables and accrued liabilities	516,161	507,534
Income taxes payable	8,717	9,543
	524,878	**517,077**
Non-current liabilities		
Deferred income tax liability	522,760	502,426
Long term debt	646,496	629,748
Total liabilities	**1,694,134**	**1,649,251**
Equity		
Share capital (note 10)	53,722,484	53,751,473
Contributed surplus	6,849,976	6,849,976
Accumulated other comprehensive loss	(12,092,453)	(13,086,274)
Deficit	(20,031,550)	(19,758,595)
Total equity	**28,448,457**	**27,756,580**
Total equity and liabilities	**30,142,591**	**29,405,831**

Commitment and contingencies (note 13)

Approved by the Board of Directors

Harris Kupperman Director *Robert Scott* Director

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

Mongolia Growth Group Ltd.

Condensed Interim Consolidated Statements of Operations

(Unaudited)

For the three month period ended March 31

(expressed in Canadian dollars)

	March 31, 2018 $	March 31, 2017 $
Revenue		
Rental income	346,477	384,580
Other revenue	10,271	16,498
Total revenue	**356,748**	**401,078**
Expenses		
Salaries and wages	127,410	363,346
Other expenses (note 16)	306,292	201,759
Depreciation (note 9)	18,372	6,576
Total expenses	**452,074**	**571,681**
Net investment income	**2,583**	**349**
Unrealized loss on short term investments (note 6)	(90,447)	(467,520)
Realized loss on short term investments (note 6)	(25,615)	-
Foreign currency loss	(18,018)	(8,474)
Finance costs	(19,500)	-
	(153,580)	**(475,994)**
Net loss before income taxes	**(246,323)**	**(646,248)**
Income taxes	(26,632)	3,062
Net loss for the period	**(272,955)**	**(643,186)**
Net loss per share (note 10)		
Basic		
From net loss for the period	(0.01)	(0.02)
Diluted		
From net loss for the period	(0.01)	(0.02)

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

Mongolia Growth Group Ltd.

Condensed Interim Consolidated Statements of Comprehensive Loss

(Unaudited)

For the three month period ended March 31

(expressed in Canadian dollars)

	March 31, 2018 $	March 31, 2017 $
Net loss for the period	(272,955)	(643,186)
Other comprehensive income		
Items that may be subsequently reclassified to income or loss		
Unrealized gains on translation of financial statement operations with Mongolian Tögrög functional currency to Canadian dollar reporting currency	993,821	311,890
Total comprehensive income (loss)	**720,866**	**(331,296)**

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

Mongolia Growth Group Ltd.

Condensed Interim Consolidated Statement of Changes in Equity

(Unaudited)

For the three month period ended March 31

(expressed in Canadian dollars)

	Share capital $	Contributed surplus $	Accumulated other comprehensive loss $	Deficit $	Total $
Balance at January 1, 2017	54,130,373	6,849,976	(11,786,528)	(16,661,381)	32,532,440
Net loss for the period	-	-	-	(643,186)	(643,186)
Other comprehensive loss	-	-	311,890	-	311,890
	54,130,373	6,849,976	(11,474,638)	(17,304,567)	32,201,144
Share repurchase	(66,108)	-	-	-	(66,108)
Balance at March 31, 2017	**54,064,265**	**6,849,976**	**(11,474,638)**	**(17,304,567)**	**32,135,036**

	Share capital $	Contributed surplus $	Accumulated other comprehensive loss $	Deficit $	Total $
Balance at January 1, 2018	53,751,473	6,849,976	(13,086,274)	(19,758,595)	27,756,580
Net loss for the period	-	-	-	(272,955)	(272,955)
Other comprehensive income	-	-	993,821	-	993,821
	53,751,473	6,849,976	(12,092,453)	(20,031,550)	28,477,446
Share repurchase	(28,989)	-	-	-	(28,989)
Balance at March 31, 2018	**53,722,484**	**6,849,976**	**(12,092,453)**	**(20,031,550)**	**28,448,457**

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

Mongolia Growth Group Ltd.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited)

For the three month period ended March 31

(expressed in Canadian dollars)

	March 31, 2018 $	March 31, 2017 $
Cash provided by (used in)		
Operating activities		
Net loss for the period	(272,955)	(643,186)
Items not affecting cash		
Depreciation (note 9)	18,372	6,576
Deferred taxes	20,334	(23,147)
Bad debt write off	-	280
Unrealized loss on marketable securities (note 6)	90,447	467,520
Realized loss on marketable securities	25,615	-
	(118,187)	**(191,957)**
Net change in non-cash working capital balances (note 14)	(66,439)	(832,892)
	(184,626)	**(1,024,849)**
Financing activities		
Share repurchase (note 10)	(28,989)	(66,108)
	(28,989)	**(66,108)**
Investing activities		
Net purchase of marketable securities (note 6)	(767,527)	(47,177)
Disposal of investment properties, net of taxes (note 8)	-	1,317,608
	(767,527)	**1,270,431**
Effect of exchange rates on cash	61,743	143,146
Increase (decrease) in cash	(919,399)	322,620
Cash - Beginning of period	1,640,771	1,881,487
Cash - End of period	**721,372**	**2,204,107**

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

(expressed in Canadian dollars)

1 Corporate Information

Mongolia Growth Group Ltd. (MGG or the Company) was incorporated in Alberta on December 17, 2007, and is a real estate investment and development Company operating through the ownership of commercial investment property assets in Ulaanbaatar, Mongolia.

The Company's common shares were previously listed on the Canadian National Stock Exchange (CNSX). On January 9, 2013, the Company filed an application for the de-listing of the common shares from the CNSX and filed an application for the listing of common shares on the TSX Venture Exchange (TSXV). The Company is now listed on the TSXV, having the symbol YAK.

MGG has one wholly-owned subsidiary at March 31, 2018, Mongolia (Barbados) Corp. Mongolia Barbados Corp. owns the wholly-owned subsidiaries MGG Properties LLC and Big Sky Capital LLC. Big Sky Capital LLC owns the wholly-owned subsidiaries, Carrollton LLC, Biggie Industries LLC, Orpheus LLC, Endymion LLC, Zulu LLC, Crescent City LLC, and Oceanus LLC (together "the investment property operations"). The investment property operations are conducted in Big Sky Capital LLC and its subsidiaries. No active business operations occur in Oceanus LLC at this time. MGG's marketable securities are currently held in a brokerage account owned by Mongolia Barbados Corp.

The Company is registered in Alberta, Canada, with its Head Office at its registered and records address at Centennial Place, East Tower, 1900, 520 - 3rd Avenue S.W. Calgary, Alberta, Canada T2P 0R3. The Company's Canadian headquarters are located at 100 King Street West, Suite 5600, Toronto, Ontario, M5X 1C9, Canada. The Company's Mongolian investment property operations are based out of its office located at the MGG Properties Building on Seoul St. in Ulaanbaatar, Mongolia.

At March 31, 2018, the Company is organized into two segments based on the business operations:

- Big Sky Capital LLC and its subsidiaries own investment properties which are located in Ulaanbaatar, Mongolia and are held for the purpose of generating rental revenue, capital appreciation, and/or redevelopment; and

- The MGG Corporate office is located in Toronto, Canada.

2 Basis of presentation

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). The significant accounting policies used in the preparation of these consolidated financial statements are summarized in note 3.

The consolidated financial statements, including the notes to the consolidated financial statements, are presented in Canadian dollars ($) which is the Company's presentation currency and the functional currency of the parent Company. The functional currency of the Company's operating subsidiaries is the Mongolian National Tögrög (MNT).

(expressed in Canadian dollars)

2 Basis of presentation (continued)

These consolidated financial statements were approved by the Board of Directors of the Company for issue on May 15, 2018.

3 Current Accounting Policy Changes

The Company has adopted the following revised standards, along with any consequential amendments, effective January 1, 2018.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2018.

In accordance with this new standard, the Company adopted IFRS 15 using the modified retrospective method. In applying IFRS 15, the Company used the practical expedient that permits contracts which were completed prior to the transition date to not be assessed. As a result of adopting IFRS 15, there were no adjustments to the balance sheet as at January 1, 2018.

IFRS 9 Financial Instruments

IFRS 9, Financial Instruments, first issued in November 2009 with final version released in July 2014 by the IASB, brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39. IFRS 9 introduces a principles-based approach to the classification of financial assets based on an entity's business model and the nature of the cash flows of the asset. All financial assets, including hybrid contracts, are measured as at fair value through profit and loss (FVTPL), fair value through OCI or amortized cost.

For financial liabilities, IFRS 9 includes the requirements for classification and measurement previously included in IAS 39.

IFRS 9 also introduces an expected loss impairment model for all financial assets not as at FVTPL. The model has three stages: (1) on initial recognition, 12-month expected credit losses are recognized in profit or loss and a loss allowance is established; (2) if credit risk increases significantly and the resulting credit risk is not considered to be low, full lifetime expected credit losses are recognized; and (3) when a financial asset is considered credit-impaired, interest revenue is calculated based on the carrying amount of the asset, net of the loss allowance, rather than its gross carrying amount.

(expressed in Canadian dollars)

3 Current Accounting Policy Changes (continued)

Finally, IFRS 9 introduces a new hedge accounting model that aligns the accounting for hedge relationships more closely with an entity's risk management activities. The standard is effective for annual periods beginning on or after January 1, 2018.

The Company has adopted IFRS 9, "Financial Instruments" ("IFRS 9"), effective January 1, 2018. As the Company has historically classified its marketable securities as FVTPL, the adoption of IFRS 9 has not resulted in adjustments to the balance sheet as at January 1, 2018.

IAS 40 Investment Properties

IAS 40, "Investment Properties" ("IAS 40"), was amended to clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The revised standard states that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use.

This amendment did not have an impact on the Company's condensed consolidated financial statements.

4 Significant accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net income (loss) in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Significant estimates made in the preparation of these consolidated financial statements include the following areas:

- Fair value of investment properties - The estimate of fair value of investment properties is the most critical accounting estimate to the Company. An external appraiser estimates the fair value of the majority of investment properties annually. The remaining balance of investment properties was valued internally. The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value of investment properties represents an estimate of the price that would be made in an arm's length transaction between knowledgeable, willing parties. This fair value assumes that the Company is in possession of the property's land and property titles where applicable. Management judges that the Company has the appropriate titles for each of the properties classified as Investment Properties. Properties whereby the Company is not currently in possession of the appropriate titles but does not expect there to be issues in receiving the titles are classified as prepaid

(expressed in Canadian dollars)

4 Significant accounting estimates and judgements (continued)

deposits on investment properties. Properties whereby Management judges that the Company's titles are at risk, have been impaired to reflect the level of risk estimated by Management.

- The Company operates in the emerging real estate market of Mongolia, which given its current economic, political and industry conditions, gives rise to an increased inherent risk given the lack of reliable and comparable market information. The significant estimates underlying the fair value determination are disclosed in note 8 of the annual financial statements for the year ended December 31, 2017. Changes in assumptions about these factors could materially affect the carrying value of investment properties.

- Valuation of marketable securities and investments - The Company recognizes marketable securities and investments at fair value. Fair value is determined on the basis of market prices from independent sources, if available. If there is no market price, then the fair value is determined by using valuation models with inputs derived from observable market data where possible but where observable data is not available, judgment is required to establish fair values.

- Accuracy of share based compensation expense - The estimate of the ultimate expense arising from share based compensation plans is another critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the share based compensation expense recorded by the Company. The ultimate expense is estimated by using a number of key assumptions such as the expected volatility of the share price, the dividends expected on the shares, the risk-free interest rate for the expected life of the option and future forfeiture rates. Further information on key assumptions including sensitivity analysis is included in note 13 of the annual financial statements for the year ended December 31, 2017.

- Operating environment of the Company - Mongolia displays many characteristics of an emerging market including relatively high inflation and interest rates. The tax and customs legislation in Mongolia is subject to varying interpretations and frequent changes. The future economic performance of Mongolia is tied to the continuing demand from China and global prices for commodities as well as being dependent upon the effectiveness of economic, financial and monetary measures undertaken by the Government of Mongolia together with tax, legal, regulatory and political developments. Management is unable to predict all developments that could have an impact on the Mongolian economy and consequently what effect, if any, they could have on the future financial position of the Company.

Significant judgements made in the preparation of these consolidated financial statements include the following:

- Judgement is required in determining whether an asset meets the criteria for classification as assets held for sale and or as discontinued operations in the consolidated financial statements. Criteria considered by management include the existence of and commitment to a plan to dispose of the assets, the expected selling price of the assets, the probability of the sale being completed within an expected timeframe of one year and the period of time any amounts have been classified within assets held for sale. The Company reviews the criteria for assets held for sale each quarter and reclassifies such assets to or from

(expressed in Canadian dollars)

4 Significant accounting estimates and judgements (continued)

this financial position category as appropriate. On completion of the sale, management exercises judgement as to whether the sale qualifies as a discontinued operation.

- As at March 31, 2018 and 2017, Management has made the judgment that none of the Company's assets meet the criteria to be classified as held for sale. While this is due to a number of factors, a primary reason is that due to the conditions of the Mongolian economy and the lack of liquidity in the market, management was unable to conclude that the sale of any significant size asset could be considered highly probable.

5 Cash

Cash at banks earns interest at floating rates based on daily bank deposit rates. The component of cash and cash accounts currently consists only of cash amounts held in banks or on hand.

The following table discloses the geographical location of cash:

	March 31, 2018 $	**December 31, 2017 $**
Barbados	121,323	79,034
Canada	229,644	946,834
Mongolia	370,405	614,903
	721,372	**1,640,771**

Cash is not collateralized, the carrying amount of cash approximates fair value.

6 Marketable Securities

	March 31, 2018 $	**December 31, 2017 $**
Common shares of public companies:		
Fair value - beginning of the year	2,816,624	1,184,825
Net purchases	767,527	1,924,157
Foreign exchange (loss) gain	(24,188)	15,030
Unrealized loss	(90,447)	(371,197)
Realized (loss) gain	(25,615)	63,809
Fair value - end of the year	**3,443,901**	**2,816,624**

(expressed in Canadian dollars)

7 Other assets

	March 31, 2018 $	December 31, 2017 $
Accounts receivable	161,331	147,421
less: Allowance for doubtful accounts	(51,449)	(49,448)
Prepaid expenses	53,755	22,756
Prepaid deposits on investment properties	296,837	285,290
	460,474	**406,019**

Prepaid deposit on investment properties relates to two properties for which titles have not been obtained.

8 Investment properties

	March 31, 2018 $	December 31, 2017 $
Balance - beginning of period	22,887,521	29,501,350
Additions		
Acquisitions	-	131,387
Disposals	-	(2,847,871)
Fair value adjustment	-	(2,758,843)
Foreign exchange adjustments	926,334	(1,138,502)
Balance - end of period	**23,813,855**	**22,887,521**

During the period ended March 31, 2018, the Company did not acquire or sell any properties. In comparison, during the period ended March 31, 2017, one investment property was sold for total considerations of approximately $1,448,995.

(expressed in Canadian dollars)

9 Property and equipment

				2017
	Furniture and fixtures $	**Equipment $**	**Buildings $**	**Total $**
December 31				
Cost	75,227	147,208	1,907,537	2,129,972
Accumulated depreciation	32,144	107,121	335,811	475,076
Net book value	**43,083**	**40,087**	**1,571,726**	**1,654,896**

				2018
	Furniture and fixtures $	**Equipment $**	**Buildings $**	**Total $**
Cost				
At January 1	75,227	147,208	1,907,537	2,129,972
Additions	-	-	-	-
Disposals	-	-	-	-
Foreign exchange adjustment	3,081	6,031	78,143	87,255
At March 31	**78,308**	**153,239**	**1,985,680**	**2,217,227**

				2018
	Furniture and fixtures $	**Equipment $**	**Buildings $**	**Total $**
Accumulated depreciation				
At January 1	32,144	107,121	335,811	475,076
Depreciation	1,790	2,937	13,645	18,372
Disposals	-	-	-	-
Foreign exchange adjustment	1,385	4,491	14,914	20,790
At March 31	35,319	114,549	364,370	514,238
Net book value at March 31	**42,989**	**38,690**	**1,621,310**	**1,702,989**

(expressed in Canadian dollars)

10 Share capital and contributed surplus

Common shares

The Company is authorized to issue an unlimited number of common and preferred shares.

The issued and outstanding common shares are as follows:

	Number of shares	Amount $
Balance, December 31, 2016	34,806,599	54,130,373
Shares re-purchased	-	(378,900)
Treasury stock cancelled	(1,110,000)	-
Balance, December 31, 2017	**33,696,599**	**53,751,473**
Shares re-purchased	-	(28,989)
Treasury stock cancelled	(219,600)	-
Balance, March 31, 2018	**33,476,999**	**53,722,484**

As at March 31, 2018, the Company held 5,000 (Q1 2017-nil) shares in Treasury with a value of $1,200 to be cancelled during the second quarter of 2018.

Stock options

The Company has established a share based payment plan (the "Plan") to encourage ownership of its shares by key management personnel (directors and executive management), employees and other key service providers, and to provide compensation for certain services. The Plan provides for the issuance of stock options in an aggregate number of up to 10% of the Company's issued and outstanding shares, calculated from time to time and are exercisable within a maximum of ten (10) years. The vesting period for all options is at the discretion of the directors. The exercise price will be set by the directors at the time of grant and cannot be less than the discounted market price of the Company's common shares. At March 31, 2018, the Company had 244,670 (December 2017 – 266,660) common shares available for the granting of future options under the new plan. The Company does not have any cash-settled transactions. Full details of the Company's option plan can be found in "Schedule B" of the Management Information Circular on the Company's website and filed on Sedar.

(expressed in Canadian dollars)

10 Share capital and contributed surplus (continued)

A summary of the Company's options as at March 31, 2018 and December 31, 2017 and changes during the periods then ended follows:

	March 31, 2018	**Weighted average exercise price $**	**December 31, 2017**	**Weighted average exercise price $**
Balance, beginning of period	3,103,000	1.13	3,358,000	1.11
Options expired	-	-	(35,000)	1.90
Options cancelled	-	-	-	-
Options granted	-	-	-	-
Options forfeited	-	-	(220,000)	0.74
Options exercised	-	-	-	-
Balance, end of the period	3,103,000	1.13	3,103,000	1.13
Exercisable	3,103,000	1.13	3,103,000	1.13
Weighted remaining average life (years)	-	1.52	-	1.77

Earnings per share

The following table summarizes the shares used in calculating earnings (loss) per share:

	March 31, 2018 $	**December 31, 2017 $**
Weighted average number of shares – basic	33,530,605	34,342,059
Effect of dilutive stock options	-	-
Weighted average number of shares – diluted	**33,530,605**	**34,342,059**

Basic earnings (loss) per share are derived by dividing net income (loss) for the period by the weighted average number of common shares outstanding for the period. The effect of potentially dilutive securities is excluded if they are anti-dilutive.

There have been no significant capital transactions from the reporting date to the date of this filing which have had a material impact on earnings per share.

(expressed in Canadian dollars)

11 Management of capital structure

The Company's objective when managing capital is to ensure the Company is capitalized in a manner which provides a strong financial position for its shareholders.

The Company's capital structure includes equity and working capital. In managing its capital structure, the Company considers future investment and acquisition opportunities, potential credit available and potential issuances of new equity. The Company's objective is to maintain a flexible capital structure that will allow it to execute its stated business. Upon acquiring investment properties and operating businesses, the Company will strive to balance its proportion of debt and equity within its capital structure in accordance with the needs of the continuing business. The Company may, from time to time, issue shares and adjust its spending to manage current and projected proportions as deemed appropriate.

	March 31, 2018 $	**December 31, 2017 $**
Current assets	4,625,747	4,863,414
Current liabilities	(524,878)	(517,077)
Working capital	**4,100,869**	**4,346,337**

The method used by the Company to monitor its capital is based on an assessment of the Company's working capital position relative to its projected obligations. At March 31, 2018, the Company's working capital was $4,100,869 (December 31, 2017 - $4,346,337).

12 Related party transactions

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Key management personnel of the Company include all directors and executive management. The summary of compensation for key management personnel is as follows:

	March 31, 2018 $	**March 31, 2017 $**
Salaries and other short-term employee benefits	103,105	57,072
Director fees	40,000	50,000
	143,105	**107,072**

(expressed in Canadian dollars)

13 Commitments and contingencies

From time to time and in the normal course of business, claims against the Company may be received. On the basis of management's assessments and professional legal advice, management is of the opinion that no material losses will be incurred and no provision or disclosure has been made in these consolidated financial statements.

The Company indemnifies its directors and officers against any and all claims or losses reasonably incurred in the performance of their service to the Company to the extent permitted by law.

14 Supplementary cash flow information

	March 31, 2018 $	**March 31, 2017 $**
Changes in non-working capital arising from		
Other assets	(37,616)	(18,511)
Trade payables and accrued liabilities	(4,225)	(667,105)
Income tax payable	(24,598)	(147,276)
Changes in non-cash working capital from operating activities	**(66,439)**	**(832,892)**

Income taxes paid during the quarter were $9,505 (March 31, 2017-$28,394).

Interest paid during the quarter was $19,500 (Q1-2017 $nil).

(expressed in Canadian dollars)

15 Segment information

The Company's operations are conducted in two reportable segments; Investment Property Operations and Corporate. The Company reports information about its operating segments based on the way management organizes and reports the segments within the organization for making operating decisions and evaluating performance.

Investment Property operations consist of commercial and residential investment property in Mongolia held for the purposes of rental revenue, capital appreciation or redevelopment. These properties are managed by Big Sky Capital LLC and its subsidiaries.

The Company evaluates performance based on net income (loss) before income taxes.

	Three months ended March 31, 2018		
	Investment property $	**Corporate $**	**Total $**
Rental income	346,477	-	346,477
Property operating expenses	(203,868)	-	(203,868)
Unrealized mark to market loss	-	(90,447)	(90,447)
Other expenses	(29,330)	(200,504)	(229,834)
Depreciation	(18,372)	-	(18,372)
Net investment income	2,552	31	2,583
Other revenue	10,271	-	10,271
Realized loss on marketable securities	-	(25,615)	(25,615)
Foreign currency gain (loss)	2,598	(20,616)	(18,018)
Finance cost	(19,500)	-	(19,500)
Net loss before income taxes	**90,828**	**(337,151)**	**(246,323)**

	Three months ended March 31, 2017		
	Investment property $	**Corporate $**	**Total $**
Rental income	384,580	-	384,580
Property operating expenses	(403,591)	-	(403,591)
Unrealized mark to market loss	-	(467,520)	(467,520)
Other expenses	(37,170)	(124,344)	(161,514)
Depreciation	(6,576)	-	(6,576)
Net investment income	278	71	349
Other revenue	16,498	-	16,498
Foreign currency gain (loss)	2,575	(11,049)	(8,474)
Net loss before income taxes	**(43,406)**	**(602,842)**	**(646,248)**

(expressed in Canadian dollars)

	Balance as of March 31, 2018		
	Investment Property $	**Corporate $**	**Total $**
Total assets	**26,327,016**	**3,815,575**	**30,142,591**
Property and equipment	1,702,989	-	1,702,989
Investment properties	23,813,855	-	23,813,855
Expenditures			
Property and equipment	-	-	-
Investment properties	-	-	-

	Balance as of March 31, 2017		
	Investment Property $	**Corporate $**	**Total $**
Total assets	**30,801,739**	**2,467,015**	**33,268,754**
Property and equipment	1,811,506	-	1,811,506
Investment properties	28,333,061	-	28,333,061
Expenditures			
Property and equipment	-	-	-
Investment properties	131,387	-	131,387

	Revenue		Property and equipment		Investment property	
	March 31, 2018 $	**March 31, 2017 $**	**March 31, 2018 $**	**March 31, 2017 $**	**March 31, 2018 $**	**March 31, 2017 $**
Canada	-	-	-	-	-	-
Mongolia	356,748	401,078	1,702,989	1,811,506	23,813,855	28,333,061
	356,748	**401,078**	**1,702,989**	**1,811,506**	**23,813,855**	**28,333,061**

(expressed in Canadian dollars)

16 Other expenses

	For the three months ended March 31	
	2018 **$**	**2017** **$**
Investor relations	10,650	7,518
Repairs and maintenance	10,920	6,585
Office	22,939	11,917
Professional fees	140,075	60,061
Travel	28,655	11,293
Advertising	1,304	1,897
Land and property tax	26,094	34,664
Insurance	12,969	10,978
Utilities	38,866	39,746
Other	13,820	17,100
	306,292	**201,759**