



TILL CAPITAL LTD.

**INTERIM (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS**

For the Three and Nine Month Periods Ended September 30, 2018 and 2017

Notice of Non-review of Interim Unaudited Condensed Consolidated Financial Statements

The attached interim unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2018 and 2017 have been prepared by and are the responsibility of Till Capital Ltd.'s ("Till") management and have been approved by the Audit Committee of Till. Till's independent auditor has not performed a review of these interim unaudited condensed consolidated financial statements.

TILL CAPITAL LTD.Interim Unaudited Condensed Consolidated Statements of Loss
(Stated in U.S. dollars)

	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2018	2017	2018	2017
Revenue					
Investment loss, net	5(e)	\$ (489,285)	\$ (502,320)	\$ (2,343,005)	\$ (90,185)
Gain on sale of property, plant, and equipment		—	—	—	1,075,335
Other revenue		—	—	75,000	50,000
		(489,285)	(502,320)	(2,268,005)	1,035,150
Expenses					
General and administrative expenses		121,373	247,421	604,756	1,261,175
Salaries and benefits		97,283	98,370	304,858	319,717
Stock-based compensation	11	314	3,092	1,400	26,619
Exploration expense recovery		—	—	(271,242)	—
Mining related expenses and property impairment		—	43,750	—	43,750
Foreign exchange (gain) loss		6,754	37,289	(3,057)	59,309
Other expenses		2,553	1,663	7,180	5,862
		228,277	431,585	643,895	1,716,432
Share of net losses of equity method investment	5(b)	(35,868)	(19,244)	(113,932)	(54,173)
Loss from continuing operations		\$ (753,430)	\$ (953,149)	\$ (3,025,832)	\$ (735,455)
Loss from discontinued operations	13	(912,477)	(2,061,704)	(1,341,278)	(2,134,841)
Loss		\$ (1,665,907)	\$ (3,014,853)	\$ (4,367,110)	\$ (2,870,296)
Income (loss) attributable to:					
Shareholders of Till Capital Ltd.		(1,654,279)	(2,943,811)	(4,428,679)	(2,794,996)
Non-controlling interests		(11,628)	(71,042)	61,569	(75,300)
Net loss		\$ (1,665,907)	\$ (3,014,853)	\$ (4,367,110)	\$ (2,870,296)
Basic and diluted loss per share from continuing operations attributable to the shareholders of Till Capital Ltd.					
		\$(0.23)	\$(0.26)	\$(0.94)	\$(0.20)
Basic and diluted loss per share from discontinued operations attributable to the shareholders of Till Capital Ltd.					
		\$(0.28)	\$(0.62)	\$(0.41)	\$(0.64)
Basic and diluted loss per share attributable to the shareholders of Till Capital Ltd.					
		\$(0.50)	\$(0.88)	\$(1.35)	\$(0.83)
Weighted average number of restricted voting shares outstanding					
		3,290,884	3,350,284	3,290,884	3,350,284

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

TILL CAPITAL LTD.Interim Unaudited Condensed Consolidated Statements of Comprehensive Loss
(Stated in U.S. dollars)

	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2018	2017	2018	2017
Net loss		\$ (1,665,907)	\$ (3,014,853)	\$ (4,367,110)	\$ (2,870,296)
Other comprehensive income (loss)					
Items that will be reclassified to income or loss:					
Change in cumulative foreign exchange translation adjustment		108,784	497,004	(388,790)	885,912
Change in net unrealized (gains) loss on available for sale investments	5(f)	56,235	(137,166)	(51,681)	(917,499)
Reclassification of realized loss on available for sale investment	5(f)	34,532	—	34,532	—
Other comprehensive income (loss)		199,551	359,838	(405,939)	(31,587)
Total comprehensive loss		\$ (1,466,356)	\$ (2,655,015)	\$ (4,773,049)	\$ (2,901,883)
Total comprehensive income (loss) attributable to:					
Shareholders of Till Capital Ltd.		(1,462,434)	(2,585,202)	(4,868,634)	(2,756,378)
Non-controlling interests		(3,922)	(69,813)	95,585	(145,505)
Total comprehensive loss		\$ (1,466,356)	\$ (2,655,015)	\$ (4,773,049)	\$ (2,901,883)
Total comprehensive income (loss) attributable to shareholders of Till Capital Ltd. arises from:					
Continuing operations		(1,753,571)	(1,636,616)	(4,259,045)	(1,928,296)
Discontinued operations		291,137	(948,586)	(609,589)	(828,082)
Total comprehensive loss attributable to shareholders of Till Capital Ltd.		\$ (1,462,434)	\$ (2,585,202)	\$ (4,868,634)	\$ (2,756,378)

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

TILL CAPITAL LTD.Interim Unaudited Condensed Consolidated Statements of Financial Position
(Stated in U.S. dollars)

	Note	September 30, 2018	December 31, 2017	December 31, 2016
Assets				
Cash and cash equivalents		\$ 2,767,495	\$ 5,899,628	\$ 2,020,265
Investments	5	333,266	663,397	2,813,290
Investment, equity method	5(b)	1,281,161	1,270,213	1,248,491
Assets held for sale	3	60,899,619	63,014,435	33,219,328
Promissory note receivable	4	—	—	2,410,494
Property, plant, and equipment		25,484	22,357	22,605
Royalty and mineral interests		415,166	415,166	1,027,378
Goodwill		1,022,440	2,218,634	2,980,819
Other assets	9	668,569	702,871	1,120,365
Total assets		\$ 67,413,200	\$ 74,206,701	\$ 46,863,035
Liabilities				
Liabilities held for sale	3	49,236,621	50,874,142	20,298,842
Accounts payable and accrued liabilities	10	169,775	499,015	168,001
Total liabilities		\$ 49,406,396	\$ 51,373,157	\$ 20,466,843
Shareholders' equity				
	11			
Share capital		3,291	3,291	3,350
Contributed surplus		40,372,349	40,370,949	40,599,038
Treasury stock		(55,091)	—	(248,951)
Accumulated other comprehensive loss		(1,498,706)	(1,058,751)	(1,280,032)
Deficit		(20,970,153)	(16,541,474)	(13,245,349)
Equity attributable to shareholders of Till Capital Ltd.		17,851,690	22,774,015	25,828,056
Non-controlling interests		155,114	59,529	568,136
Total shareholders' equity		\$ 18,006,804	\$ 22,833,544	\$ 26,396,192
Total liabilities and shareholders' equity		\$ 67,413,200	\$ 74,206,701	\$ 46,863,035

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

The financial statements were approved by the directors on November 13, 2018 and signed on their behalf by:

/s/ Wayne Kauth

Wayne Kauth, Director

TILL CAPITAL LTD.

Interim Unaudited Condensed Consolidated Statements of Shareholders' Equity

(Stated in U.S. dollars)

	Capital Stock		Contributed surplus	Treasury stock	Accumulated other comprehensive loss	Deficit	Equity attributable to shareholders of Till Capital Ltd.	Non-controlling interests	Total
	Shares	Amount							
Balance, December 31, 2016	3,350,284	\$ 3,350	\$ 40,599,038	\$ (248,951)	\$ (1,280,032)	\$ (13,245,349)	\$ 25,828,056	\$ 568,136	\$ 26,396,192
Nine Months Ended September 30, 2017									
Net loss	—	—	—	—	—	(2,794,996)	(2,794,996)	(75,300)	(2,870,296)
Other comprehensive income (loss)	—	—	—	—	38,618	—	38,618	(70,205)	(31,587)
Total comprehensive income (loss)	—	—	—	—	38,618	(2,794,996)	(2,756,378)	(145,505)	(2,901,883)
Stock-based compensation (Note 11)	—	—	19,374	—	—	—	19,374	7,245	26,619
Non-controlling interests	—	—	—	—	—	338,398	338,398	(338,398)	—
Balance, September 30, 2017	3,350,284	\$ 3,350	\$ 40,618,412	\$ (248,951)	\$ (1,241,414)	\$ (15,701,947)	\$ 23,429,450	\$ 91,478	\$ 23,520,928
Balance, December 31, 2017	3,290,884	\$ 3,291	\$ 40,370,949	\$ —	\$ (1,058,751)	\$ (16,541,474)	\$ 22,774,015	\$ 59,529	\$ 22,833,544
Nine Months Ended September 30, 2018									
Net income (loss)	—	—	—	—	—	(4,428,679)	(4,428,679)	61,569	(4,367,110)
Other comprehensive income (loss)	—	—	—	—	(439,955)	—	(439,955)	34,016	(405,939)
Total comprehensive income (loss)	—	—	—	—	(439,955)	(4,428,679)	(4,868,634)	95,585	(4,773,049)
Purchase of treasury shares	—	—	—	(55,091)	—	—	(55,091)	—	(55,091)
Stock-based compensation (Note 11)	—	—	1,400	—	—	—	1,400	—	1,400
Balance, September 30, 2018	3,290,884	\$ 3,291	\$ 40,372,349	\$ (55,091)	\$ (1,498,706)	\$ (20,970,153)	\$ 17,851,690	\$ 155,114	\$ 18,006,804

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

TILL CAPITAL LTD.Interim Unaudited Condensed Consolidated Statements of Cash Flows
(Stated in US dollars)

		Nine Months Ended September 30	
	Note	2018	2017
Cash flows from operating activities			
Loss from continuing operations		\$ (3,025,832)	\$ (735,455)
Adjustments to reconcile net loss to net cash used in continuing operating activities:			
Depreciation and amortization expense		151,531	256,956
Stock-based compensation	11	1,400	26,619
Impairment of intangible asset	9(a)	340,203	—
Gain on sale of property, plant, and equipment		—	(1,075,335)
Loss on investments		2,343,005	90,185
Loss on equity method investment	5(b)	113,932	54,173
Changes in operating assets and liabilities in continuing operations:			
(Decrease) increase in accounts payable and other liabilities		(329,240)	3,055
Other working capital changes		(376,723)	(114,419)
Net cash used in continuing operating activities		(781,724)	(1,494,221)
Net cash provided by discontinued operating activities	13	172,310	342,962
Net cash used in operating activities		(609,414)	(1,151,259)
Cash flows from investing activities			
Purchases of held for trading investments, net		(1,949,282)	(1,424,402)
(Purchases) sales of available for sale investments		(80,742)	1,335,452
Purchases of equity method investment	5(b)	(124,880)	—
Proceeds from property option payments		—	215,000
Proceeds from sale of mineral properties		—	1,156,090
(Purchases) sales of property, plant, and equipment, net		(12,402)	19,500
Development costs capitalization	9(a)	(162,009)	(104,357)
Net cash provided by (used in) investing activities from continuing operations		(2,329,315)	1,197,283
Net cash provided by (used in) investing activities from discontinued operations	13	(1,165,644)	65,590
Net cash provided by (used in) investing activities		(3,494,959)	1,262,873
Cash flows from financing activities			
Purchase of treasury shares		(55,091)	—
Proceeds from note receivable	4	—	2,605,253
Net cash provided by financing activities		(55,091)	2,605,253
Increase (decrease) in cash and cash equivalents		(4,159,464)	2,716,867
Effect of foreign exchange rate changes on cash and cash equivalents		2,344,060	(459,635)
Change of cash in assets held for sale for discontinued operations		(1,316,729)	408,552
Cash and cash equivalents, beginning of period		5,899,628	2,020,265
Cash and cash equivalents, end of period		\$ 2,767,495	\$ 4,686,049

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

TILL CAPITAL LTD.

Notes to the Interim Unaudited Condensed Consolidated Financial Statements
(Stated in U.S. dollars)

1. NATURE OF OPERATIONS

Till Capital Ltd. (“Till”) was incorporated under the laws of Bermuda on August 20, 2012 under the name Resource Holdings Ltd. On March 19, 2014, Resource Holdings Ltd. changed its name to Till Capital Ltd. in accordance with Till's bye-laws and Section 10 of the Bermuda Companies Act 1981, as amended. Till is an exempted holding company with its principal place of business and registered office Crawford House, 50 Cedar Avenue, Hamilton HM 11, Bermuda. Till's registered agent is Compass Administration Services Ltd.

Till was formed to respond to the market need for more capacity for certain types of insurance and reinsurance. Resource Re Ltd. (“RRL”), a wholly-owned subsidiary of Till, was incorporated in Bermuda in August 2012 and licensed as a Class 3A insurance company in Bermuda by the Bermuda Monetary Authority (“BMA”) in August 2013. RRL currently has no reinsurance contracts in effect.

On May 15, 2015, Till acquired all of the issued and outstanding shares of Omega Insurance Holdings, Inc. (“Holdings”), a privately-held Toronto, Canada based holding company, including its subsidiaries, Omega General Insurance Company (“Omega”), a fully licensed insurance company, and Focus Group Inc. (“Focus”), an insurance consulting and services company. Holdings offers innovative and customized solutions in a cost-effective manner for insurers/reinsurers exiting the market and organizations with unique insurance needs.

The business strategy for both RRL and Holdings is to produce both underwriting profits and investment-related returns by investing reinsurance premiums and corporate capital.

In the third quarter of 2017, Till initiated a plan to sell its wholly-owned subsidiary Holdings, including Holdings' subsidiaries Omega and Focus, all of which are based in Canada. As a result of that decision, Holdings is required to be classified as held for sale and is also required to be considered a discontinued operation. However, during the potential sale process, Holdings, Omega, and Focus each continues to operate as a normal operation of Till. Till's management and Board of Directors believe that the sale of Holdings will allow Till to focus on increasing shareholder value and its original business strategy. Till has engaged an investment banker to facilitate the sale of Holdings. There can be no assurance that the process will result in any transaction.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These interim unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34, *Interim Financial Reporting* (“IAS 34”), and IFRS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*. These interim unaudited condensed consolidated financial statements comply with IAS 34; however, they do not include all of the information required for full annual financial statements.

The accounting policies applied in these interim unaudited condensed consolidated financial statements are presented below and are based on IFRS issued and applicable as of November 13, 2018, the date the Board of Directors approved the financial statements. The accounting policies have been applied consistently to all periods presented in these interim unaudited condensed consolidated financial statements.

These interim unaudited condensed consolidated financial statements should be read in conjunction with Till's annual financial statements for the year ended December 31, 2017 that were prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Those financial statements disclose information for the year ended December 31, 2017 that is material to the understanding of these interim unaudited condensed consolidated financial statements prepared in accordance with IFRS.

TILL CAPITAL LTD.

Notes to the Interim Unaudited Condensed Consolidated Financial Statements
(Stated in U.S. dollars)

(b) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the interim unaudited condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Amounts in the accompanying interim unaudited condensed consolidated financial statements represent Till's best estimates and assumptions; however, the actual amounts could differ materially from those estimates. Till's principal use of estimates and assumptions include fair value determination of certain investments, valuation of mineral rights and mining properties, valuation of intangibles, assessment of goodwill impairment, projection of unpaid loss and loss expense adjustment reserves, assessment of reinsurance recoverable including any provision for uncollectible reinsurance, and valuation of deferred tax assets.

Estimates must be made for both the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not yet reported at the reporting date ("IBNR"). A significant amount of time may pass before the ultimate claim costs can be established with certainty, and, for some types of insurance policies, IBNR claims form the majority of the liability in the accompanying statements of financial position.

The ultimate cost of outstanding claims is estimated by using a range of actuarial claim projection techniques. The principal assumption underlying those techniques is that a company's past claims development experience can be used to project future claims development and hence ultimate claim costs. Those techniques extrapolate the development of paid and incurred losses based on the observed development of earlier years and expected loss ratios. Large claims are usually separately addressed either by being reserved at the value of loss adjuster estimates or are separately projected to estimate their future development. Additional qualitative judgment is used to assess the extent to which past trends may not apply in the future when estimating the ultimate cost of claims.

Estimates are also made for the portion of the ultimate cost of outstanding claims that will be recoverable from reinsurance ceded policies.

The application of the purchase method of accounting for business combinations requires the use of significant estimates and assumptions in determining the fair value of assets acquired and liabilities assumed to properly allocate the purchase price. The estimates of the fair value of the assets acquired and liabilities assumed are based on assumptions believed to be reasonable using established valuation techniques that consider a number of factors. Assets acquired and liabilities assumed in connection with business combinations are recorded based on their respective fair values at the date of acquisition. The identifiable intangible assets that Till has acquired are customer relationships and trade names. Goodwill is calculated as the excess of the cost of the acquired entity over the net fair value of the assets acquired and the liabilities assumed.

The fair values of quoted investments are determined based on the closing prices on the last business day of the reporting period from recognized exchanges (e.g., Nasdaq, the New York Stock Exchange, etc.), recognized indices, or pricing vendors. Securities that do not have quoted prices available in active markets are valued using observable inputs such as quoted prices in inactive markets, quoted prices in active markets for similar instruments, benchmark interest rates, broker quotes, and other relevant inputs.

(c) Basis of consolidation

These interim unaudited condensed consolidated financial statements include the accounts of Till and its wholly-owned subsidiaries, together with its controlling interest in Silver Predator Corp. ("SPD"), accounted for as described below.

All intercompany transactions and balances between Till and its subsidiaries have been eliminated in consolidation.

Where necessary, adjustments are made to the results of the subsidiaries to bring their accounting policies in line with those used by Till.

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Notes to the Interim Unaudited Condensed Consolidated Financial Statements
(Stated in U.S. dollars)

(i) Subsidiaries

Subsidiaries are entities that Till controls, either directly or indirectly. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when Till has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. That control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a company's share capital.

Till's significant subsidiaries at September 30, 2018 are as follows:

Name of Subsidiary	Country of Incorporation	Functional Currency	Proportion of Ownership Interest	Principal Activity
Resource Re Ltd.	Bermuda	US	100%	Reinsurance
Silver Predator Corp.	Canada	Canadian	64%	Mineral exploration
Omega Insurance Holdings, Inc.	Canada	Canadian	100%	Holding company
Omega General Insurance Company	Canada	Canadian	100%	Insurance
Focus Group, Inc.	Canada	Canadian	100%	Insurance consulting
Till Capital US Holding Corp.	USA	US	100%	Holding company
Till Management Company	USA	US	100%	Investment management
Golden Predator US Holding Corp.	USA	US	100%	Management services
Springer Mining Company	USA	US	100%	Mineral exploration

(ii) IGC

IGC is an entity that is neither controlled nor jointly controlled by Till. Due to its chief executive officer serving on the Board of Directors of IGC, Till's investment in IGC is accounted for using the equity method of accounting.

Under the equity method of accounting, the investment in IGC is recorded initially at cost to Till. In subsequent periods the carrying amount of the investment is adjusted to account for Till's share of IGC's retained post-acquisition profit or loss and other comprehensive income. If Till's share of losses in IGC equals or exceeds its interest in IGC, including any unsecured receivables, Till would not recognize any further losses, unless it has incurred legal or constructive obligations or made payments on behalf of IGC.

(d) Currency translation and foreign exchange

Till has determined the U.S. dollar to be its functional currency. Transactions denominated in currencies other than the functional currency are reported using the exchange rates prevailing on the dates of the transactions. At each financial statement date, monetary items denominated in foreign currencies are translated at the rates prevailing on the financial statement date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognized in the period in which they occur.

For the purpose of presenting these interim unaudited condensed consolidated financial statements, the assets and liabilities of Till's foreign operations, being those entities that have a functional currency different from that of Till, are translated into US dollars at the rate of exchange prevailing at the end of the reporting period. Opening balances in shareholders' equity are translated at their historic rates. Transactions in shareholders' equity and income and expenses are translated at the average exchange rates for the period where those rates approximate the rates on the dates of transactions, and, where exchange differences occur, they are recognized as a component of equity.

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Notes to the Interim Unaudited Condensed Consolidated Financial Statements
(Stated in U.S. dollars)

(e) Cash and cash equivalents

For the purposes of the statements of financial position, cash and cash equivalents comprise cash on hand, demand deposits, and short-term highly-liquid investments with an initial maturity of three months or less that are readily convertible into cash and that are subject to insignificant risk of changes in value.

(f) Financial instrument contracts

Till classifies or designates all of its financial assets as either available for sale (“AFS”), held for trading (“HFT”), loans, or receivables. Till classifies or designates all of its financial liabilities as other financial liabilities.

AFS financial assets include Government debt securities, corporate bond exchange traded funds, and equity securities, all of which are intended to be held for an indefinite period of time, and which may be sold in response to needs for liquidity or in response to changes in market conditions. AFS financial assets are reported at fair value on the statements of financial position from the trade date (i.e., the date that Till commits to purchase or sell the financial asset). Any subsequent changes in fair values are reported, net of income taxes, in Other Comprehensive Income (“OCI”) until the financial asset is disposed of or has become impaired. When an AFS financial asset is disposed of, or has become impaired, the accumulated fair value adjustments recognized in Accumulated Other Comprehensive Income (“AOCI”) are transferred to net investment income and a corresponding adjustment (net of income taxes) is made to OCI. A provision for impairment for AFS financial assets is established when there is objective evidence that the investment is impaired.

HFT financial assets include equity securities, all of which are held for active trading. HFT financial assets are reported at fair value on the statements of financial position from the trade date (i.e., the date that Till commits to purchase or sell the financial asset). Any subsequent changes in fair values are reported in the statements of net income (loss).

Financial assets classified or designated as loans or receivables are reported at fair value on the statements of financial position from the issuance date and are subsequently reported at amortized cost using the effective interest rate method. A provision for impairment for loans or receivables is established when there is objective evidence that a loan or receivable is impaired.

Financial liabilities classified or designated as other financial liabilities are reported at fair value on the statements of financial position from the issuance date and are subsequently reported at amortized cost using the effective interest rate method.

(g) Insurance contracts

(i) Product classification

An insurance contract is a contract where an insurance company (the insurer) has accepted insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. As a general guideline, the insurance company determines whether it has insurance risk by comparing expected benefits payable if the insured event occurs, with expected benefits payable if the insured event does not occur. An insurance contract can also transfer financial risk.

Once a contract has been classified as an insurance contract, it remains classified as an insurance contract for the remainder of its lifetime, even if the insurance risk reduces during that period.

(ii) Premium revenue and unearned premiums

Insurance premiums written are recognized on the date that coverage begins. Premiums are deferred as unearned premiums and recognized in earned premiums on a pro rata basis over the term of the policies, unless otherwise determined by the insurance contract.

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(Stated in U.S. dollars)

Insurance premiums written and insurance premiums earned also include any adjustments arising in the accounting period for premiums receivable with respect to business written in prior accounting periods.

Reinsurance premiums are included in income calculated on a pro rata basis over the term of the underlying insurance policies. Reinsurers' share of unearned premiums are recognized as assets using principles consistent with the method for establishing the related unearned premium liability.

(iii) Unpaid claims and adjustment expenses

The provision for unpaid claims includes loss adjustment expenses and represents the estimated amount required to settle all reported claims incurred. In addition, provision is made for claims incurred but not reported based on the type of business written. Those estimates are reviewed and updated periodically, with resulting adjustments, if any, included in current income.

The computation of unpaid claims takes into account the time value of money using market discount rates based on the underlying investment portfolio.

The process of determining the provision for unpaid claims necessarily involves risks that the actual results may deviate from the reported best estimates. Those risks vary in proportion to the length of the estimation period and the volatility of each component comprising the liabilities. To recognize the uncertainty in establishing those best estimates and to allow for possible deterioration in experience, actuaries are required to use explicit margins for adverse deviation in assumptions for asset defaults, reinvestment risk, claims development, and recoverability of reinsurance balances.

Reinsurers' shares of unpaid claims, net of any required provisions for doubtful amounts, are recognized as assets using principles consistent with the method for establishing the related unpaid claim liability.

(iv) Acquisition expenses

Commissions, premium taxes, and other expenses relating directly to the acquisition of premiums are deferred and amortized over the terms of the related policies to the extent they are considered recoverable from unearned premiums.

At the end of each reporting period, a liability adequacy test is performed to determine whether unearned premiums, net of deferred acquisition costs, are sufficient to cover the estimated future costs associated with the unexpired period of the insurance policies. Any deficiencies are recognized immediately as a reduction in deferred acquisition expenses. Any portion of the estimated future costs in excess of the deferred acquisition costs would be accrued as a liability.

(v) Reinsurance

Reinsurance balances are reported on the statements of financial position and in the statements of income (loss) on a gross basis to recognize the credit risk related to reinsurance and its obligations to policyholders.

(vi) Assumption reinsurance transactions

A premium is charged to other insurance companies for assuming the liabilities on an accepted portfolio of insurance contracts.

When the underlying insurance policies are fully expired, the premium is recognized as income on the date when it is determined that the risks and rewards relating to the portfolio liabilities have transferred to Till. At the same time, Till records the actuarially determined estimate of unpaid claims, including adjustment expenses, the impact of any existing reinsurance on the portfolio transferred, and other costs of the transaction are recorded.

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Notes to the Interim Unaudited Condensed Consolidated Financial Statements
(Stated in U.S. dollars)

During the period when the underlying insurance policies are not fully expired, the premium is recognized as income on a pro rata basis over the term of the remaining underlying insurance policies. The impact of any reinsurance ceded on the portfolio is recognized as an expense at the time the reinsurance contract is entered into.

(h) Mineral interests

Costs directly related to the exploration and evaluation of mineral properties are capitalized once the legal rights to explore the mineral properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and depreciated using the units-of-production method on commencement of production.

If it is determined that capitalized acquisition, exploration, and evaluation costs are not recoverable, or the property is abandoned, or management has determined there is an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed for impairment when facts and circumstances suggest that the carrying amounts may exceed their recoverable amounts.

From time to time, Till acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After all costs relating to a property have been recovered, further payments received are recorded as an exploration expense recovery on the statements of income (loss).

(i) Property, plant, and equipment

Property, plant, and equipment are carried at cost less accumulated depreciation and any impairment charges. Depreciation is recorded on a straight-line basis over the estimated useful life of the asset. Residual values and useful lives are reviewed annually. Impairment losses and gains and losses on disposals of property, plant, and equipment are included in the statements of income (loss).

(j) Impairment of assets

Assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment is assessed at the level of cash-generating units that are identified as the smallest identifiable group of assets that generates cash inflows, which are largely independent of the cash inflows from other assets. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of value in use and fair value less costs of disposal ("FVLCD").

The value in use is the net present value of expected future cash flows of the relevant cash-generating unit in its current condition, both from continuing use and ultimate disposal. For value in use, recent cost levels are considered, together with expected changes in costs that are compatible with the current condition of the business and that meet the requirements of IFRS.

The best evidence of FVLCD is the value obtained from an active market or binding sale agreement. Where neither exists, FVLCD is based on the best information available to correlate with the amount a market participant would pay for the cash generating unit in an arm's length transaction. That amount is often estimated using discounted cash flow techniques.

(k) Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in income or loss except to the extent that they relate to items recognized directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date.

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Deferred tax is recognized in respect of unused tax losses and credits, as well as temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on enacted or substantively enacted laws at the reporting date.

A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, only to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax is not recognized for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries, associates, and joint arrangements to the extent it is probable they will not reverse in the foreseeable future.

(l) Employee benefits

Wages, salaries, and related benefits are accrued in the period in which the employees provide the associated services.

(m) Segment reporting

Till operates in a single segment, that being insurance.

(n) Change in accounting policies and restatement of comparatives

Consistent with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, Till has elected to change its accounting policies to comply with the regulations of the TSX Venture Exchange (“TSXV”). In prior periods, Till's policies were consistent with U.S. GAAP that expenses exploration and evaluation expenditures on properties that Till has the legal rights to explore, until commercially viable, and report the provision for unpaid insurance claims on an undiscounted basis. Till has elected to capitalize all exploration and evaluation expenses until such time that Till believes that further expenditures will provide profitable future economic benefit, and report the provision for unpaid insurance claims on a discounted basis. Till's policies related thereto are disclosed in notes 2(g)(iii) and 2(h), respectively.

Those changes in accounting policies require full retrospective application. IAS 1, *Presentation of Financial Statements* also requires a third statement of financial position be presented as at the beginning of the prior period. As at December 31, 2016 and December 31, 2017, the following adjustments were made to the condensed consolidated statements of financial position:

	December 31, 2016			
	Adjustment for change in accounting policy			
	As previously reported	Discounted provision for unpaid claims	Exploration and evaluation expenditures	As currently reported
Assets held for sale	\$ 32,769,610	\$ 92,351	\$ 357,367	\$ 33,219,328
Royalty and mineral interests	1,003,373	—	24,005	1,027,378
Liabilities held for sale	(20,432,031)	133,189	—	(20,298,842)
Increase in shareholders' equity		\$ 225,540	\$ 381,372	

The total increase in shareholders' equity from all adjustments for changes in accounting policies as of December 31, 2016 was \$606,912.

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	December 31, 2017			
	Adjustment for change in accounting policy			
	As previously reported	Discounted provision for unpaid claims	Exploration and evaluation expenditures	As currently reported
Assets held for sale	\$ 62,333,450	\$ 202,471	\$ 478,514	\$ 63,014,435
Royalty and mineral interests	391,161	—	24,005	415,166
Liabilities held for sale	(51,000,996)	126,854	—	(50,874,142)
Increase in shareholders' equity		\$ 329,325	\$ 502,519	

The total increase in shareholders' equity from all adjustments for changes in accounting policies as of December 31, 2017 was \$831,844.

For the three months ended September 30, 2017, the following adjustments were reported in the condensed consolidated statements of loss:

	Three Months Ended September 30, 2017			
	Adjustment for change in accounting policy			
	As previously reported	Discounted provision for unpaid claims	Exploration and evaluation expenditures	As currently reported
Mining related expenses and property impairment	\$ (150,003)	\$ —	\$ 106,253	\$ (43,750)
Loss from discontinued operations	(1,942,293)	(119,411)	—	(2,061,704)
(Increase) decrease in net loss		\$ (119,411)	\$ 106,253	

The net increase in net loss from all adjustments for changes in accounting policies for the three months ended September 30, 2017 was \$13,158 or approximately (\$0.00) per basic and diluted share of Till.

For the nine months ended September 30, 2017, the following adjustments were reported in the condensed consolidated statements of loss:

	Nine Months Ended September 30, 2017			
	Adjustment for change in accounting policy			
	As previously reported	Discounted provision for unpaid claims	Exploration and evaluation expenditures	As currently reported
Mining related expenses and property impairment	\$ (178,636)	\$ —	\$ 134,886	\$ (43,750)
Loss from discontinued operations	(1,977,376)	(157,465)	—	(2,134,841)
(Increase) decrease in net loss		\$ (157,465)	\$ 134,886	

The net increase in net loss from all adjustments for changes in accounting policies for the nine months ended September 30, 2017 was \$22,579 or approximately (\$0.00) per basic and diluted share of Till.

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For the year ended December 31, 2017, the following adjustments were reported in the condensed consolidated statements of loss:

	Year Ended December 31, 2017			
	As previously reported	Adjustment for change in accounting policy		As currently reported
Discounted provision for unpaid claims		Exploration and evaluation expenditures		
Gain on sale of mineral interests	\$ 1,217,540	\$ —	\$ (31,700)	\$ 1,185,840
Mining related expenses and property impairment	(240,347)	—	152,847	(87,500)
Loss from discontinued operations	(1,663,218)	103,785	—	(1,559,433)
Decrease in net loss		\$ 103,785	\$ 121,147	

The net decrease in net loss from all adjustments for changes in accounting policies for the year ended December 31, 2017 was \$224,932 or approximately \$0.07 per basic and diluted share of Till.

(o) *New standards and interpretations not yet adopted*

- (i) The IASB has published IFRS 9, *Financial Instruments* (“IFRS 9”), that replaces IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 is effective for fiscal years beginning on or after January 1, 2018. However, Till meets the eligibility criteria of the temporary exemption from IFRS 9 as provided by IFRS 4, *Insurance Contracts* (“IFRS 4”) and has elected to defer the application of IFRS 9 until the January 1, 2021 effective date of the new insurance contracts standard IFRS 17, *Insurance Contracts*.

The IASB has issued amendments to IFRS 4 to address concerns of insurers about the different effective dates for IFRS 9 and the upcoming new standard for insurance contracts. The amendments allow insurance entities to elect one of two options:

- The deferral approach provides entities, whose predominant activities are to issue contracts within the scope of IFRS 4, a temporary exemption to continue using IAS 39 instead of IFRS 9 until January 1, 2021.
- The overlay approach can be applied to eligible financial assets and provides an option for all issuers of insurance contracts to reclassify from profit or loss to OCI any additional accounting volatility that may arise from applying IFRS 9 before the upcoming new standard on insurance contracts.

Till is in the process of assessing the effect of those changes on its financial statements prior to the January 1, 2021 effective date. The adoption of IFRS 9 is expected to have a material impact on Till's classification and measurement of its financial assets.

- (ii) On January 13, 2016, the IASB issued IFRS 16, *Leases*, under which all leases are to be included on the balance sheets of lessees, except for those that meet the limited exception criteria set forth therein. That standard becomes effective for annual periods beginning on or after January 1, 2019. The adoption of IFRS 16 is not expected to have a material impact on Till's financial statements.

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3. ASSETS AND LIABILITIES HELD FOR SALE*(a) Omega Insurance Holdings, Inc.*

Based on the planned sale of Holdings, as described in Note 1, Holdings is classified as assets and liabilities held for sale and is measured at the lower of its carrying amount or FVLCD. As such, as of September 30, 2018, Holdings assets and liabilities were valued at \$55,790,350 and \$49,235,805, respectively. The comparative assets and liabilities of Holdings as of September 30, 2018, December 31, 2017, and December 31, 2016 were as follows:

	Note	September 30, 2018	December 31, 2017	December 31, 2016
Holdings assets held for sale:				
Cash and cash equivalents		\$ 2,332,705	\$ 3,649,434	\$ 3,299,943
Investments	5(c)	11,849,999	10,730,698	12,707,484
Unpaid losses and loss adjustment expenses ceded	6	9,388,423	10,094,946	7,150,355
Unearned premiums ceded	7	14,228,711	13,850,156	1,614,803
Premiums receivable and reinsurance recoverables		15,723,004	17,455,169	2,391,427
Deferred policy acquisition costs	8	2,192,417	2,140,591	498,889
Property, plant, and equipment		21,752	26,977	30,070
Deferred income tax asset		—	—	583,153
Other assets		53,339	47,525	42,598
Total Holdings assets held for sale		\$ 55,790,350	\$ 57,995,496	\$ 28,318,722
Holdings liabilities held for sale:				
Reserve for unpaid losses and loss adjustment expenses	6	\$ 14,716,733	\$ 16,081,794	\$ 13,716,574
Unearned premiums	7	16,458,683	16,145,047	2,015,932
Reinsurance payables		14,214,507	13,810,548	3,149,826
Payables and accruals		998,669	1,762,992	1,000,801
Unearned commissions		2,402,258	2,350,776	397,103
Other liabilities		444,955	721,924	—
Total Holdings liabilities held for sale		\$ 49,235,805	\$ 50,873,081	\$ 20,280,236

(b) Springer Mining Company and the Taylor Mill

Prior to 2017, SPD's Board of Directors and management committed to a plan to sell Springer Mining Company ("SMC") and the Taylor Mill. Since announcing and initiating that process, active negotiations were held related to those assets.

In January 2017, SPD, in exchange for the release of a related party debt owed to RRL, gave 100% of its full ownership of SMC to RRL. Ownership of SMC was, in turn, transferred to Till's wholly-owned subsidiary, Golden Predator US Holding Corp. The approximately \$0.2 million impact of that transaction is included within the decrease in non-controlling interests with no other impact on consolidation. Till's Board of Directors and management are committed to a plan to sell SMC. Assets and liabilities of SMC held for sale as of September 30, 2018, December 31, 2017 and December 31, 2016 were as follows:

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	September 30, 2018	December 31, 2017	December 31, 2016
SMC assets held for sale:			
Cash and accounts receivable	\$ 12,890	\$ 2,911	\$ 23,399
Reclamation bonds	32,401	32,401	32,401
Prepays	9,816	17,674	—
Mineral properties	1,055,594	967,385	846,238
Property, plant, and equipment	3,998,568	3,998,568	3,998,568
Total SMC assets held for sale	\$ 5,109,269	\$ 5,018,939	\$ 4,900,606
Total SMC liabilities held for sale	\$ 816	\$ 1,061	\$ 18,606

SPD's Taylor Mill assets had a book value of \$nil at September 30, 2018, December 31, 2017, and December 31, 2016.

(c) *Total assets and liabilities held for sale*

	September 30, 2018	December 31, 2017	December 31, 2017
Assets held for sale:			
Holdings	\$ 55,790,350	\$ 57,995,496	\$ 28,318,722
SMC	5,109,269	5,018,939	4,900,606
Total assets held for sale	\$ 60,899,619	\$ 63,014,435	\$ 33,219,328
Liabilities held for sale:			
Holdings	\$ 49,235,805	\$ 50,873,081	\$ 20,280,236
SMC	816	1,061	18,606
Total liabilities held for sale	\$ 49,236,621	\$ 50,874,142	\$ 20,298,842

4. PROMISSORY NOTE RECEIVABLE

Till held a promissory note receivable from Golden Predator Mining Corp. with an original face amount of \$2,570,950 (Cdn \$3,753,332). That promissory note receivable bore interest at 6% per annum to June 1, 2016, 8% per annum to June 1, 2017, 10% per annum to June 1, 2018, and 12% thereafter.

The first installment of \$546,545 (Cdn\$717,450) was received on May 25, 2016, the second installment of \$913,879 (Cdn \$1,216,373) was received on March 31, 2017, and the final payment of \$1,651,374 (Cdn\$2,230,016) was received on June 2, 2017.

That promissory note was initially recognized at fair value, and was subsequently carried at amortized cost using the effective interest rate method.

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Carrying value of note at December 31, 2016	\$ 2,410,494
Interest	69,869
Receipt of payment on March 31, 2017	(913,879)
Receipt of payment on June 2, 2017	(1,651,374)
Amortization of discount	86,899
Foreign exchange loss	(2,009)
Carrying value, December 31, 2017	\$ —

5. INVESTMENTS*(a) Investments*

	September 30, 2018	December 31, 2017	December 31, 2016
Held for trading securities (i)	\$ 88,143	\$ 422,447	\$ 1,831,363
Available for sale securities (ii)	245,123	240,950	981,927
Total investments	\$ 333,266	\$ 663,397	\$ 2,813,290

(i) Held for trading securities

	September 30, 2018			December 31, 2017			December 31, 2016		
	Cost Basis	Unrealized Loss	Fair Value	Cost Basis	Unrealized Loss	Fair Value	Cost Basis	Unrealized Loss	Fair Value
Equity securities - natural resource sector	\$ —	\$ —	\$ —	\$ 43,757	\$ (21,637)	\$ 22,120	\$ 642,914	\$ (130,021)	\$ 512,893
Equity securities - all other sectors	332,724	(244,581)	88,143	586,572	(186,245)	400,327	1,712,874	(394,404)	1,318,470
Total	\$ 332,724	\$ (244,581)	\$ 88,143	\$ 630,329	\$ (207,882)	\$ 422,447	\$ 2,355,788	\$ (524,425)	\$ 1,831,363

(ii) Available for sale securities

	September 30, 2018			December 31, 2017			December 31, 2016		
	Cost Basis	Unrealized Gain	Fair Value	Cost Basis	Unrealized Gain	Fair Value	Cost Basis	Unrealized Gain	Fair Value
Equity securities - natural resource sector	\$ 192,944	\$ 52,179	\$ 245,123	\$ 156,262	\$ 84,688	\$ 240,950	\$ 335,267	\$ 646,660	\$ 981,927
Total	\$ 192,944	\$ 52,179	\$ 245,123	\$ 156,262	\$ 84,688	\$ 240,950	\$ 335,267	\$ 646,660	\$ 981,927

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(b) Investment in IGC

Till, through RRL, has an investment in IGC that is accounted for under the equity method of accounting that is summarized as follows:

	Nine Months Ended September 30, 2018		Year Ended December 31, 2017	
Balance, beginning of period	\$	1,270,213	\$	1,248,491
Additional investments		124,880		105,898
Share of accumulated equity method losses		(113,932)		(84,176)
Balance, end of period	\$	1,281,161	\$	1,270,213
Till's basic ownership percentage		3.59%		3.52%

On December 17, 2016, Till, through RRL, entered into an unsecured loan agreement with IGC. Under that loan agreement, the principal amount loaned by RRL was \$400,000, the annual interest rate was 15%, and the loan and accrued interest were due in August 2017. In 2017, \$40,000 in interest was received from IGC and the loan was repaid with \$300,000 cash and \$100,000 converted to IGC membership units and warrants. At September 30, 2018, December 31, 2017, and December 31, 2016, the loan and accrued interest totaled \$nil, \$nil and \$401,973, respectively, and is included in other assets.

On November 6, 2018, RRL received a \$5 million cash distribution from IGC (see note 18 Subsequent Events).

(c) Investments included in assets held for sale

	September 30, 2018	December 31, 2017	December 31, 2016
Held for trading securities (i)	\$ 1,420,008	\$ —	\$ 114,619
Available for sale securities (ii)	10,429,991	10,730,698	12,592,865
Total investments	\$ 11,849,999	\$ 10,730,698	\$ 12,707,484

(i) Held for trading securities included in assets held for sale

	September 30, 2018			December 31, 2017			December 31, 2016		
	Cost Basis	Unrealized Loss	Fair Value	Cost Basis	Unrealized Gain	Fair Value	Cost Basis	Unrealized Loss	Fair Value
Equity securities - all other sectors	\$1,420,715	\$ (707)	\$1,420,008	\$ —	\$ —	\$ —	\$ 115,763	\$ (1,144)	\$ 114,619
Total	\$1,420,715	\$ (707)	\$1,420,008	\$ —	\$ —	\$ —	\$ 115,763	\$ (1,144)	\$ 114,619

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(ii) Available for sale securities included in assets held for sale

	September 30, 2018			December 31, 2017			December 31, 2016		
	Cost Basis	Unrealized Loss	Fair Value	Cost Basis	Unrealized Loss	Fair Value	Cost Basis	Unrealized Gain (Loss)	Fair Value
Canadian government and provincial bonds	\$ 6,936,331	\$ (159,994)	\$ 6,776,337	\$ 7,007,119	\$ (112,285)	\$ 6,894,834	\$ 8,114,813	\$ 58,703	\$ 8,173,516
Equity securities - bond funds	3,824,530	(170,876)	3,653,654	3,950,588	(114,724)	3,835,864	4,467,788	(48,439)	4,419,349
Total	\$10,760,861	\$ (330,870)	\$10,429,991	\$10,957,707	\$ (227,009)	\$10,730,698	\$12,582,601	\$ 10,264	\$12,592,865

(d) Fair value measurement

The fair value of securities in Till's investment portfolio is estimated using the following techniques:

Level 1 - Assets or liabilities with quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 - Assets or liabilities that are measured using observable market data and are not allocable to Level 1. Measurements are based, in particular, on prices for comparable assets and liabilities that are traded on active markets, prices on markets that are not considered active, as well as inputs derived from such prices or market data.

Level 3 - Assets or liabilities that cannot be measured or can only be partially measured using observable market inputs. The measurement of such instruments draws principally on valuation models and methods.

Till determines the estimated fair value of each individual security utilizing the highest level inputs available.

Till's investments in exchange traded bond funds, guaranteed investment certificates, and public companies are classified as Level 1 investments because the fair values are based on quoted prices in active markets for identical assets that are reported at fair value. Till's investments in government bonds and public company warrants are classified as Level 2 investments because the fair value is measured using observable market data but identical assets are not quoted in active markets. Till has had no Level 3 investments during the last two years.

The fair value hierarchy of Till's investment holdings is as follows:

	Fair Value at September 30, 2018			
	Total	Level 1	Level 2	Level 3
Held for trading	\$ 88,143	\$ 88,143	\$ —	\$ —
Available for sale	245,123	245,123	—	—
Total investments	\$ 333,266	\$ 333,266	\$ —	\$ —
Held for trading included in assets held for sale	\$ 1,420,008	\$ 1,420,008	\$ —	\$ —
Available for sale included in assets held for sale	10,429,991	3,653,654	6,776,337	—
Total investments included in assets held for sale	\$ 11,849,999	\$ 5,073,662	\$ 6,776,337	\$ —

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	Fair Value at December 31, 2017			
	Total	Level 1	Level 2	Level 3
Held for trading	\$ 422,447	\$ 400,207	\$ 22,240	\$ —
Available for sale	240,950	240,950	—	—
Total investments	\$ 663,397	\$ 641,157	\$ 22,240	\$ —
Held for trading included in assets held for sale	\$ —	\$ —	\$ —	\$ —
Available for sale included in assets held for sale	10,730,698	3,835,864	6,894,834	—
Total investments included in assets held for sale	\$ 10,730,698	\$ 3,835,864	\$ 6,894,834	\$ —

	Fair Value at December 31, 2016			
	Total	Level 1	Level 2	Level 3
Held for trading	\$ 1,831,363	\$ 1,616,898	\$ 214,465	\$ —
Available for sale	981,927	981,927	—	—
Total investments	\$ 2,813,290	\$ 2,598,825	\$ 214,465	\$ —
Held for trading included in assets held for sale	\$ 114,619	\$ 114,619	\$ —	\$ —
Available for sale included in assets held for sale	12,592,865	4,419,349	8,173,516	—
Total investments included in assets held for sale	\$ 12,707,484	\$ 4,533,968	\$ 8,173,516	\$ —

(e) Investment income (loss), net

Till calculates the gain or loss realized on the sale of investments by comparing the sales price (fair value) to the cost or amortized cost of the security sold. Till determines the cost or amortized cost of the bonds sold using the specific-identification method and all other securities sold using the average cost method.

	Three Months Ended September 30		Nine Months Ended September 30	
	2018	2017	2018	2017
Net gain (loss) from held for trading investments				
Equity index futures	\$ (347,198)	\$ (14,270)	\$ (1,392,237)	\$ (216,278)
All other securities	139,418	(215,520)	116,110	(138,284)
Net realized gain (loss) from available for sale investments	(34,532)	—	(34,532)	1,001,496
Net interest and dividends	254	11,045	4,227	202,606
Investment related expenses	(247,227)	(283,575)	(1,036,573)	(939,725)
Investment loss, net	\$ (489,285)	\$ (502,320)	\$ (2,343,005)	\$ (90,185)

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(f) *Net change in unrealized gain (loss) on available for sale investments (including available for sale investments included in assets held for sale)*

	Three Months Ended September 30		Nine Months Ended September 30	
	2018	2017	2018	2017
Canadian government bonds and provincial bonds	\$ (23,311)	\$ (71,331)	\$ (47,709)	\$ (212,288)
Equity securities - bond funds	(27,261)	(57,584)	(56,152)	(117,438)
Equity securities - natural resource sector	106,807	(8,251)	52,180	(587,773)
	56,235	(137,166)	(51,681)	(917,499)
Reclassification of realized loss on available for sale investment	34,532	—	34,532	—
Included in other comprehensive loss	\$ 90,767	\$ (137,166)	\$ (17,149)	\$ (917,499)

6. UNPAID LOSSES, LOSS ADJUSTMENT EXPENSES, AND REINSURANCE AMOUNTS CEDED

(a) *Reserve for unpaid losses and loss adjustment expenses ("LAE")*

	September 30, 2018		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Undiscounted amounts	\$ 14,295,721	\$ 9,192,209	\$ 5,103,512
Adjustment for discount rate	(1,049,826)	(556,972)	(492,854)
Adjustment for provision for adverse developments	1,470,838	753,186	717,652
Reserve for unpaid losses and LAE	\$ 14,716,733	\$ 9,388,423	\$ 5,328,310

	December 31, 2017		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Undiscounted amounts	\$ 15,647,358	\$ 9,892,475	\$ 5,754,883
Adjustment for discount rate	(1,083,300)	(574,731)	(508,569)
Adjustment for provision for adverse developments	1,517,736	777,202	740,534
Reserve for unpaid losses and LAE	\$ 16,081,794	\$ 10,094,946	\$ 5,986,848

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	December 31, 2016		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Undiscounted amounts	\$ 13,212,366	\$ 7,058,003	\$ 6,154,363
Adjustment for discount rate	(907,127)	(559,321)	(347,806)
Adjustment for provision for adverse developments	1,411,335	651,673	759,662
Reserve for unpaid losses and LAE	\$ 13,716,574	\$ 7,150,355	\$ 6,566,219

(b) Summary of changes in outstanding losses and LAE and amounts ceded

	Nine Months Ended September 30					
	2018			2017		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Balance, beginning of period	\$16,081,794	\$10,094,946	\$5,986,848	\$13,716,574	\$ 7,150,355	\$6,566,219
Losses and LAE incurred for insured events related to:						
Current period	26,757,780	26,636,685	121,095	24,205,352	24,048,261	157,091
Prior periods	1,109,582	491,415	618,167	718,022	(202,847)	920,869
Total incurred	27,867,362	27,128,100	739,262	24,923,374	23,845,414	1,077,960
Losses and LAE paid:						
Current period events	(24,797,126)	(24,791,747)	(5,379)	(20,613,919)	(20,596,873)	(17,046)
Prior period events	(3,943,021)	(2,733,056)	(1,209,965)	(2,585,900)	(1,418,720)	(1,167,180)
Total paid	(28,740,147)	(27,524,803)	(1,215,344)	(23,199,819)	(22,015,593)	(1,184,226)
Adjustment due to currency conversion	(492,276)	(309,820)	(182,456)	1,122,868	629,671	493,197
Balance, end of period	\$14,716,733	\$ 9,388,423	\$5,328,310	\$16,562,997	\$ 9,609,847	\$6,953,150

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7. UNEARNED PREMIUMS

The following table is a summary of changes in unearned premiums and unearned premiums ceded included in assets and liabilities held for sale (Note 3).

	September 30, 2018			December 31, 2017		
	Unearned Premiums	Unearned Premiums Ceded	Net	Unearned Premiums	Unearned Premiums Ceded	Net
Balance, beginning of period	\$ 16,145,047	\$ 13,850,156	\$ 2,294,891	\$ 2,015,932	\$ 1,614,803	\$ 401,129
Premiums written	46,904,453	45,935,251	969,202	64,761,312	61,867,568	2,893,744
Premiums earned	(46,075,827)	(45,124,405)	(951,422)	(51,248,134)	(50,157,400)	(1,090,734)
Adjustment due to currency conversion	(514,990)	(432,291)	(82,699)	615,937	525,185	90,752
Balance, end of period	\$ 16,458,683	\$ 14,228,711	\$ 2,229,972	\$ 16,145,047	\$ 13,850,156	\$ 2,294,891

8. DEFERRED POLICY ACQUISITION COSTS

A summary of the changes in deferred policy acquisition costs included in assets held for sale (Note 3) is as follows:

	September 30, 2018	December 31, 2017	December 31, 2016
Balance, beginning of period	\$ 2,140,591	\$ 498,889	\$ 465,472
Acquisition costs deferred	14,930,546	15,699,156	11,110,040
Amortization of deferred policy acquisition costs	(14,878,720)	(14,057,454)	(11,076,623)
Balance, end of period	\$ 2,192,417	\$ 2,140,591	\$ 498,889

9. OTHER ASSETS

A summary of other assets is as follows:

	September 30, 2018	December 31, 2017	December 31, 2016
Intangible asset (a)	\$ —	\$ 320,450	\$ 388,876
Prepaid expenses and deposits	179,283	120,732	112,589
Reclamation bonds	63,166	63,166	92,066
Note receivable from IGC	—	—	401,973
Other	426,120	198,523	124,861
Total other assets	\$ 668,569	\$ 702,871	\$ 1,120,365

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(a) Intangible asset - Tyche trading system ("Tyche")

	September 30, 2018	December 31, 2017
Balance, beginning of period	\$ 320,450	\$ 388,876
Additions	162,009	287,894
Amortization	(142,256)	(356,320)
Impairment	(340,203)	—
Balance, end of period	\$ —	\$ 320,450

In 2015, Tyche advanced from the initial research phase to the initial development phase. All Tyche costs incurred prior to 2015 were expensed and all Tyche costs incurred during the initial development phase were capitalized. Tyche began active trading at the beginning of 2016 and, as such, the development costs began being amortized. The capitalized development costs were amortized using the straight-line method over twenty-four months, which was determined as the useful life of the Tyche intangible asset.

At June 30, 2018, Tyche was returned to the research phase as a result of significant changes required to the algorithm and logic codes. That recharacterization to the research phase resulted in Till expensing current Tyche costs and determining that the prior intangible value of Tyche was impaired.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of accounts payable and accrued liabilities is as follows:

	September 30, 2018	December 31, 2017	December 31, 2016
Accounts payable	\$ 77,884	\$ 414,390	\$ 93,790
Accrued payroll	48,141	40,875	45,056
Other liabilities	43,750	43,750	29,155
Total accounts payable and accrued liabilities	\$ 169,775	\$ 499,015	\$ 168,001

11. SHARE CAPITAL AND RESERVES*(a) Authorized share capital*

Till is authorized to issue 12,000,000 shares of restricted voting stock at a par value of \$0.001. Shares of Till have restricted voting rights, whereby no single shareholder of Till is able to exercise voting rights for more than 9.9% of the voting rights of the total issued and outstanding Till shares. However, if any one shareholder of Till beneficially owns, or exercises control or direction over, more than 50% of the issued and outstanding Till shares, the 9.9% restriction will no longer apply to the Till shares.

(b) Stock options and warrants

Till's Board of Directors may, from time to time and in its sole discretion, award options to acquire shares of the restricted voting stock of Till to directors, employees, and consultants. During the three and nine month periods ended September 30, 2018, Till recognized stock-based compensation related to options of \$314 and \$1,400, respectively (three and nine month periods ended September 30, 2017 - \$3,092 and \$26,619, respectively), which amounts are

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included in the statements of loss. At September 30, 2018, Till has 117,500 stock options outstanding with a weighted average exercise price of Cdn\$9.55 (US\$7.38).

Till's Board of Directors may, from time to time and in its sole discretion, issue warrants to acquire shares of the restricted voting stock of Till. At September 30, 2018, Till has 176,500 warrants outstanding with a weighted average exercise price of Cdn\$9.47 (US\$7.32).

12. INCOME (LOSS) PER SHARE

Till uses the treasury stock method to calculate diluted income (loss) per share. Following the treasury stock method, the numerator for Till's diluted income (loss) per share calculation remains unchanged from the basic income (loss) per share calculation, as the assumed exercise of Till's stock options and warrants does not result in an adjustment to profit or loss.

Stock options to purchase 117,500 restricted voting shares were outstanding at September 30, 2018 and December 31, 2017. Warrants to purchase 176,500 restricted voting shares were outstanding at September 30, 2018 (December 31, 2017 – 179,500). Those stock options and warrants were excluded in the calculation of diluted earnings per share because the exercise price of the awards was greater than the weighted average market value of the restricted voting shares in the nine months ended September 30, 2018.

13. DISCONTINUED OPERATIONS

As a result of Till's decision, in the third quarter 2017, to sell Holdings, as described in Note 1, Holdings is required to be classified as a discontinued operation and is presented as such on Till's statements of loss and statements of cash flow.

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The income (loss) from discontinued operations is summarized as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2018	2017	2018	2017
Revenue from discontinued operations:				
Insurance premiums written	\$ 15,406,123	\$ 15,288,143	\$ 46,904,453	\$ 50,348,487
Insurance premiums ceded to reinsurers	(15,179,896)	(14,801,564)	(45,935,251)	(47,691,188)
Change in unearned premiums	79,738	(221,898)	(17,780)	(1,802,491)
Net insurance premiums earned	305,965	264,681	951,422	854,808
Fees - Chief agency	72,301	75,196	220,177	216,843
Fees - Consulting	9,510	38,194	100,532	120,852
Rent revenue	9,922	—	20,247	—
Investment income (loss)	15,800	4,544	(44,951)	215,350
Total revenue	413,498	382,615	1,247,427	1,407,853
Expenses from discontinued operations:				
Losses and loss adjustment expenses, net	90,567	456,921	739,262	1,077,960
General and administrative expenses	(19,476)	145,161	211,397	328,650
Salaries and benefits	161,347	210,229	531,990	581,174
Loss on assets held for sale	1,097,612	971,757	1,097,612	971,757
Total expenses	1,330,050	1,784,068	2,580,261	2,959,541
Loss from discontinued operations before income taxes	(916,552)	(1,401,453)	(1,332,834)	(1,551,688)
Income tax recovery (expense)	4,075	(660,251)	(8,444)	(583,153)
Net loss from discontinued operations	\$ (912,477)	\$ (2,061,704)	\$ (1,341,278)	\$ (2,134,841)

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The cash flows from (to) discontinued operations are summarized as follows:

	Nine Months Ended September 30	
	2018	2017
Cash flows provided by (used in) discontinued operating activities		
Net loss from discontinued operations	\$ (1,341,278)	\$ (2,134,841)
Items not affecting cash:		
Amortization of capital assets	5,808	5,497
(Gain) loss on investments	44,951	(215,350)
Loss on assets held for sale	1,097,612	971,757
Income tax expense	8,444	—
	(184,463)	(1,372,937)
Changes in non-cash working capital items:		
(Increase) decrease in premiums receivable and reinsurance recoverables	1,732,165	(12,860,016)
Increase (decrease) in unpaid losses, LAE, and amounts ceded, net	(658,538)	386,931
Increase in reinsurance payables	178,472	10,694,329
Increase in deferred policy acquisition costs	(51,826)	(1,572,698)
Increase in deferred income tax asset	—	583,153
Increase (decrease) in unearned premiums	(64,919)	1,917,693
Increase (decrease) in accounts payable and accrued liabilities	(772,767)	889,973
Other working capital changes	(5,814)	1,676,534
	356,773	1,715,899
Net operating cash flows provided by discontinued operations	\$ 172,310	\$ 342,962
Investing cash flows from discontinued operations		
Purchase of available for sale investments	\$ (5,547,991)	\$ —
Proceeds from maturity of available for sale investments	5,358,807	—
Sale (purchase) of held for trading investments, net	(975,068)	65,590
Purchase of property, plant, and equipment, net	(1,392)	—
Net investing cash flows from discontinued operations	\$ (1,165,644)	\$ 65,590

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14. SEGMENT INFORMATION

Till operates in a single segment, that being insurance.

Till's revenue (loss) is attributable to the following geographical areas:

	Three Months Ended September 30		Nine Months Ended September 30	
	2018	2017	2018	2017
Bermuda	\$ (246,440)	\$ (324,246)	\$ (1,672,080)	\$ 508,254
United States	(242,845)	(178,074)	(595,925)	526,896
Total (continuing operations)	\$ (489,285)	\$ (502,320)	\$ (2,268,005)	\$ 1,035,150
Canada (discontinued operations)	\$ 413,498	\$ 382,615	\$ 1,247,427	\$ 1,407,853

The non-current assets (other than financial instruments and deferred tax assets) are accounted for in the following geographical areas:

	September 30,	December 31,	December 31,
	2018	2017	2017
Bermuda	\$ 1,675,396	\$ 1,462,706	\$ 1,348,491
Canada	1,052,445	2,224,634	2,980,819
United States	502,801	820,139	1,530,926
Total	\$ 3,230,642	\$ 4,507,479	\$ 5,860,236

15. RELATED PARTY DISCLOSURES*(a) Compensation of key management personnel*

Key management personnel comprise all members of Till's Board of Directors and executive officers. The compensation of key management personnel comprises fees, salaries, share-based awards, and other employee benefits. During the three and nine month periods ended September 30, 2018, total compensation amounted to \$0.13 million and \$0.41 million, respectively (three and nine month periods ended September 30, 2017 - \$0.14 million and \$0.59 million, respectively).

(b) Service agreements

Till is party to service agreements with SPD whereby Till provides accounting and corporate communications services on a cost-plus recovery basis. Till charged SPD \$9,000 per quarter for the three and nine month periods ended September 30, 2018 and 2017 for those services.

16. CAPITAL MANAGEMENT*(a) Regulatory capital*

Till manages capital on an aggregate basis, as well as individually for each regulated entity. Till's insurance subsidiaries are subject to the regulatory capital requirements defined by the BMA for RRL and by the Office of Superintendent of Financial Institutions (Canada) ("OSFI") for Omega.

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Till's objectives when managing capital consist of:

- Ensuring that policyholders in the insurance and reinsurance subsidiaries are protected while complying with regulatory capital requirements.
- Maintaining a strong liquidity position that provides a reasonable return on invested assets.
- Maximizing long-term shareholder value by optimizing capital generated and used by Till.

Till views capital as a scarce and strategic resource. That resource protects the financial well-being of the organization, and is critical in enabling Till to pursue strategic business opportunities. Adequate capital also acts as a safeguard against possible unexpected losses, and as a basis for confidence in Till by shareholders, policyholders, creditors, and others. For the purpose of capital management, Till has defined capital as shareholders' equity, excluding AOCI. Capital is monitored by Till's Board of Directors. Till's insurance subsidiaries are subject to minimum capital requirements, which amounts are not available to satisfy liabilities of Till or other subsidiaries.

(b) *RRL*

RRL is registered under The Bermuda Insurance Act 1978 and related regulations that require RRL to file a statutory financial return and maintain certain measures of solvency and liquidity. The required Minimum General Business Solvency Margin at September 30, 2018 was \$1 million. The Minimum Liquidity Ratio is the ratio of the insurer's relevant assets to its relevant liabilities. The minimum allowable ratio is 75%. RRL's relevant assets at September 30, 2018 were \$4.0 million (December 31, 2017 - \$7.2 million) and 75% of its relevant liabilities as of September 30, 2018 and December 31, 2017 was \$0.2 million. As of September 30, 2018 and December 31, 2017, RRL is in compliance with regulatory requirements.

(c) *Omega*

OSFI has set out expectations of a 100% Minimum Capital Target ("MCT") as the minimum and has also set out 150% MCT as the supervisory target for Canadian property and casualty insurance companies. As of September 30, 2018, Omega had total capital available of Cdn\$7.7 (US\$6.0) million (December 31, 2017 - Cdn\$8.4 (US\$6.7) million) and a total capital required of Cdn\$2.4 (US\$1.9) million (December 31, 2017 - Cdn\$2.5 (US\$2.0) million) resulting in a MCT of 319% (December 31, 2017 of 331%). As of September 30, 2018 and December 31, 2017, Omega is in compliance with OSFI's MCT requirements.

17. FINANCIAL RISK MANAGEMENT

(a) *Insurance risk*

Omega principally underwrites insurance lines of business that include personal property, commercial property, and liability lines of business. The various coverages underwritten have specific insurance contracts that set forth the specific insurance risk exposures, including the duration of the coverage, Omega is exposed to certain risks defined in the insurance contracts, generally for durations of one to three years.

In addition to underwriting general insurance contracts, Omega has also assumed portfolios of existing business that are in run-off from other insurers through assumption reinsurance transactions. Those portfolios could be from any line of business that the transferring insurer underwrote up through the assumption. Under those assumption reinsurance transactions, Omega is exposed to certain risks defined in the underlying insurance contracts that were originally written by the transferring insurer.

The principal risk that Omega faces under both general insurance contracts and assumption reinsurance transactions is that the actual claims and benefit payments, or the timing thereof, differs from the assumptions and/or expectations used to price the general insurance contracts or assumption reinsurance transactions. That insurance risk is influenced by the frequency of claims, severity of claims, emergence of unknown claims, actual benefits paid, and subsequent development of claims, in particular long-tail claims. For long-tail claims that take years to settle, Till is also exposed to inflation risk. Till's objective is to ascertain, based on the business insured and other factors, that sufficient reserves are available to cover known and unknown liabilities related to the business written and assumed.

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Risk exposure is mitigated by diversification across a portfolio of insurance contracts and geographical areas and by the use of various underwriting and claim review strategies. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities. Omega also purchases reinsurance as part of its risk mitigation strategies. Reinsurance is placed on both a proportional and non-proportional basis. The use of proportional and non-proportional reinsurance varies by line of business.

Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying claim liabilities and in accordance with the reinsurance contracts. Although Omega has reinsurance arrangements in effect, Omega is not relieved of its obligations to its policyholders and, thus, a credit risk exposure exists with respect to such reinsurance arrangements.

The key assumption underlying the valuation of the reserve for unpaid losses and LAE is that the future loss development will follow a similar pattern to past loss development experience, including average claim costs, claim handling costs, and other claim factors for each loss year. Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future. Consideration is also given to available industry data/information. Judgment is further used to assess the extent to which external factors, such as inflation, court decisions, and government legislation, may affect the estimates. Other factors that may affect the reliability of loss and LAE assumptions include any variation in interest rates, claim settlement delays, and changes in foreign exchange rates.

(b) Liquidity risk

Liquidity risk is the risk that Till is unable to meet its financial obligations as they come due. Till manages that risk by continuous monitoring of its working capital to determine that its cash, cash equivalents, and investments exceed its estimated obligations.

(c) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its obligations. Till's credit risk is primarily attributable to cash and cash equivalents, investments, premiums receivable, and reinsurance recoverables. Till has policies in place to limit and monitor its exposure to individual issuers and classes of issuers of investments. Till's insurance and reinsurance policies are distributed by brokers and agents who manage cash collection on its behalf and Till monitors its exposure as regards of the activities of those brokers and agents. Till has policies in place that limit its exposure to individual reinsurers, and Till conducts regular review processes to assess the creditworthiness of reinsurers with whom it transacts business. Till also holds collateral for certain of its reinsurance arrangements.

18. SUBSEQUENT EVENT

IG Copper LLC

On October 11, 2018, Till announced that IGC had notified Till that the sale of the Malmyzh copper-gold project to Russian Copper Company had closed. On November 7, 2018, Till announced the receipt of a \$5 million cash distribution from IGC. Subject to certain conditions, Till expects to receive cash distributions of up to \$330,000 in 2019.