

GRENVILLE GOLD CORP.

Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2017 and 2016

(Unaudited, Expressed in Canadian Dollars)

GRENVILLE GOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited, in Canadian dollars)

	Notes	September 30, 2017	December 31, 2016 (audited)
ASSETS			
Current Assets			
Cash		\$ 15,907	\$ 1,663
Receivables		519	748
Prepaid expenses		-	1,542
		16,426	3,953
Exploration and evaluation assets	3	1,491,564	1,373,202
TOTAL ASSETS		\$ 1,507,990	\$ 1,377,155
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Trade payables and accrued liabilities	4	\$ 114,364	\$ 135,068
Loans payable	7	153,863	-
Due to related parties	6	6,426	6,426
TOTAL LIABILITIES		274,653	141,494
SHAREHOLDERS' EQUITY			
Share capital	5	9,740,565	9,681,065
Reserves	5	4,327,153	4,327,153
Deficit		(12,834,381)	(12,772,557)
TOTAL EQUITY		1,233,337	1,235,661
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 1,507,990	\$ 1,377,155

Nature and continuance of operations 1

On Behalf of the Board

"Sonny Janda"
Sonny Janda, Director

"Shaun Dykes"
Shaun Dykes, Director

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

GRENVILLE GOLD CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited, in Canadian dollars)

	Note	Three Months Ended		Nine Months Ended	
		2017	2016	2017	2016
Revenue					
Consulting		\$ -	\$ -	\$ -	\$ 5,167
		-	-	-	5,167
Expenses					
Consulting		-	1,500	-	1,500
Filing and transfer fees		2,113	4,160	8,346	14,011
Foreign exchange (gain) loss		48,158	(16,350)	26,143	20,866
Management		3,000	-	18,066	-
Office and general		4,227	(4)	6,087	17,391
Professional fees		8,236	9,413	27,182	23,979
Project Investigation Costs		-	2,514	-	2,514
Rent		3,000	6,010	6,000	22,414
		68,734	7,243	91,824	102,675
Other Income					
Gain from sale of assets		-	-	-	68
Gain from forgiveness of debt	4	-	-	30,000	-
		-	-	30,000	68
Net income (loss) and comprehensive income (loss)					
		\$ (68,734)	\$ (7,243)	\$ (61,824)	\$ (97,440)
Basic and diluted loss per share					
		\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding					
- basic and diluted		23,491,940	20,234,099	23,371,943	18,631,943

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

GRENVILLE GOLD CORP.**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY***(Unaudited, in Canadian dollars, except share number)*

	Share Capital		Reserves			
	Number	Amount Received	Option	Warrant	Deficit	Total
Balance at December 31, 2015	17,020,984	\$ 9,321,065	\$ 2,872,403	\$ 1,454,750	\$ (11,668,862)	\$ 1,979,356
Shares issued for cash	6,000,000	360,000	-	-	-	360,000
Net and comprehensive loss	-	-	-	-	(97,440)	(97,440)
Balance at September 30, 2016	23,020,984	9,681,065	2,872,403	1,454,750	(11,766,302)	2,241,916
Shares issued for cash	-	-	-	-	-	-
Net and comprehensive loss	-	-	-	-	(1,006,255)	(1,006,255)
Balance at December 31, 2016	23,020,984	9,681,065	2,872,403	1,454,750	(12,772,557)	1,235,661
Exercise of warrants	700,000	59,500	-	-	-	59,500
Net and comprehensive loss	-	-	-	-	(61,824)	(61,824)
Balance at September 30, 2017	23,720,984	\$ 9,740,565	\$ 2,872,403	\$ 1,454,750	\$ (12,834,381)	\$ 1,233,337

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

GRENVILLE GOLD CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30,

(Unaudited, in Canadian dollars)

	2017	2016
Operating activities		
Net loss for the period	(61,824)	(97,440)
Adjustments for non-cash items		
Non-cash interest expense	3,863	7,885
	(57,961)	(89,555)
Changes in non-cash working capital items		
Receivables	229	(197)
Prepaid expenses	1,542	(10,088)
Trade payables and accrued liabilities	(20,704)	(1,116)
Net cash flows used in operating activities	(76,894)	(100,956)
Investing activities		
Expenditures in exploration and evaluation assets	(118,362)	(116,609)
Net cash flows used in investing activities	(118,362)	(116,609)
Financing activities		
Short-term loan	150,000	-
Repayment of loan and interests		(145,712)
Proceeds from issuance of common shares		360,000
Proceeds from exercise of warrants	59,500	-
Net cash flows from financing activities	209,500	214,288
Change in cash during the period	14,244	(3,277)
Cash, beginning of period	1,663	4,821
Cash, end of period	15,907	1,544

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

GRENVILLE GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2017

(Unaudited, expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Grenville Gold Corp. (the “Company”) was incorporated under the laws of the province of Ontario by articles of incorporation effective November 17, 1994. On June 19, 2009, the Company completed a continuance of business from Ontario to British Columbia. The Company is listed on the TSX Venture Exchange (“TSX-V”) under the symbol “GVG”, the Berlin and Frankfurt stock exchanges in Germany under the symbol “F91Q”, and a pink sheet listing (“OTCPP”) in the United States under the symbol “GVLGF”.

The head office, principal address and records office of the Company are 4770 – 72nd Street, Surrey, British Columbia, Canada, V4K 3N3.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at September 30, 2017, the Company had not advanced its property to commercial production and is not able to finance day-to-day activities through operations. The Company’s continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and/or private placement of common shares. Should the Company be unable to continue as going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on November 29, 2017.

2. BASIS OF PRESENTATION**Statement of Compliance**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* and should be read in conjunction with the annual financial statements for the year ended December 31, 2016, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

September 30, 2017

*(Unaudited, expressed in Canadian dollars)***2. BASIS OF PRESENTATION** (continued)

The notes presented in these condensed consolidated interim financial statements include only significant events and transactions occurring since the Company's last fiscal year end and they do not include all of the information required in the Company's most recent annual consolidated financial statements. These condensed consolidated interim financial statements follow the same accounting policies and methods of application as the Company's annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2016, which were prepared in accordance with IFRS as issued by IASB. There have been no significant changes in judgement or estimates from those disclosed in the consolidated financial statements for the year ended December 31, 2016.

Basis of Measurement

The condensed consolidated interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Basis of Consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

	Country of Incorporation	Percentage Owned	
		September 30, 2017	December 31, 2016
Grenville Silveria Ltd.	Canada	100%	100%
Grenville Espanola Holdings Ltd.	Canada	100%	100%
Minera Grenville S.A.C.	Peru	100%	100%
Minera Espanola S.A.C.	Peru	100%	100%
Upper Canyon Minerals Peru S.A.C.	Peru	100%	100%
Inversiones Mineras Alexander S.A.C.	Peru	100%	100%

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation

GRENVILLE GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2017

(Unaudited, expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)**Significant Estimates and Assumptions**

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if it affects both current and future periods.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods the recoverability and measurement of exploration and evaluation assets, and provisions for restoration and environmental obligations.

Significant Judgments

The preparation of these financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's condensed consolidated interim financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification of financial instruments; and
- the determination of the functional currency of the parent company and its subsidiaries.

GRENVILLE GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS**

September 30, 2017

*(Unaudited, expressed in Canadian dollars)***3. EXPLORATION AND EVALUATION ASSETS**

	Balance		Balance		Balance
	December 31,	Additions	December 31,	Additions	September 30,
	2015	(Impairment)	2016	(Impairment)	2017
Silveria					
Acquisition	\$ 1,671,385	\$ -	\$ 1,671,385	\$ -	\$ 1,671,385
Exploration costs	2,045,564	19,319	2,064,883	-	2,064,883
Impairment	(2,761,564)	(974,704)	(3,736,268)	-	(3,736,268)
	955,385	(955,385)	-	-	-
Espanola					
Acquisition	457,502	-	457,502	94,298	551,800
Exploration costs	735,436	73,888	809,324	2,244	811,568
	1,192,938	73,888	1,266,826	96,542	1,363,368
Josefina					
Acquisition	86,663	-	86,663	-	86,663
Exploration costs	20,398	-	20,398	-	20,398
Impairment	(107,061)	-	(107,061)	-	(107,061)
	-	-	-	-	-
Silver Mountain					
Acquisition	39,631	-	39,631	21,817	61,448
Exploration costs	42,564	24,181	66,745	3	66,748
	82,195	24,181	106,376	21,820	128,196
Total	\$ 2,230,518	\$ (857,316)	\$ 1,373,202	\$ 118,362	\$ 1,491,564

Silveria Property

The Company's interest in the Silveria property consists of claims in the San Mateo Mining District in the province of Huarochiri, Peru. As a result of uncertainty arising in connection with the status of the Company's right to explore the mineral claims underlying the Silveria property, management assessed the Silveria Property as impaired and recorded an impairment charge of \$974,704 for the year ended December 31, 2016.

Espanola Property

The Company owns 100% of the Espanola property which consists of 17 claims in the San Mateo Mining District in the province of Canete, Peru.

Josefina and Silver Mountain Properties

The Company owns 100% interests in the Josefina and Silver Mountain concessions which consist of 6 claims located in the Huarochiri province of Lima, Peru.

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS

September 30, 2017

*(Unaudited, expressed in Canadian dollars)***3. TRADE PAYABLES AND ACCRUED LIABILITIES**

	September 30, 2017		December 31, 2016	
Trade payables	\$	112,369	\$	126,073
Accrued liabilities		1,995		8,995
	\$	114,364	\$	135,068

In June 2017, a creditor forgave the Company a total of \$31,500, including \$1,500 in taxes.

4. SHARE CAPITAL

Authorized share capital: An unlimited number of common shares without par value
An unlimited number of preferred shares without par value

During the period ended September 30, 2017, the Company issued 700,000 common shares for exercise of warrants for proceeds of \$59,500.

During the year ended December 31, 2016, the Company closed a private placement financing consisting of 6,000,000 units at a price of \$0.06 per unit for proceeds of \$360,000. Each unit consists of one common share and one common share purchase warrant, which entitles the holder to purchase one additional common share of the Company at a price of \$0.085 per share for a period of three years.

Stock Options

The Company has a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of options. The term of the stock options granted is fixed by the Board of Directors and is not to exceed five years. The exercise prices of the stock options granted may not be less than the minimum then specified by the rules of the TSX-V. Vesting periods are determined by the Board.

GRENVILLE GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS**

September 30, 2017

*(Unaudited, expressed in Canadian dollars)***5. SHARE CAPITAL** (continued)

Stock option transactions as at September 30, 2017 and December 31, 2016 are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Options outstanding at December 31, 2015	180,000	\$ 2.50
Options expired	(180,000)	2.50
Options outstanding at December 31, 2016 and September 30, 2017	-	-

Warrants

	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding at December 31, 2015	-	\$ -
Warrants issued	6,000,000	0.085
Warrants outstanding at December 31, 2016	6,000,000	\$ 0.085
Warrants exercised	(700,000)	0.085
Warrants outstanding at September 30, 2017	5,300,000	\$ 0.085

The weighted average life remaining of these warrants outstanding as at September 30, 2017 is 3.73 years.

Stock Option Reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

Warrant Reserve

The warrant reserve records the fair value of warrants issued until such time that they are exercised, at which time the corresponding amount will be transferred to share capital.

GRENVILLE GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS**

September 30, 2017

(Unaudited, expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS

The Company considers key management to be directors or senior officers of the Company. During the three-month and nine-month periods ended September 30, 2017 and 2016, the Company did not incur any transaction with key management or companies controlled by key management of the Company.

As at September 30, 2017, the Company has recorded an advance payable of \$6,426 (December 31, 2016 - \$6,426) to companies controlled by common management and an accounts payable of \$8,991 (December 31, 2016 - \$15,225) to a company formerly related by common management.

7. LOANS PAYABLE

On June 25, 2014, the Company arranged for unsecured short-term bridge financing with an unrelated, non-financial lender in the principal amount of \$119,675 bearing interest at a rate of 4% per annum until December 24, 2014 and prime + 10% subsequently. The loan was repayable in full on December 24, 2014. During the year ended December 31, 2016, the Company repaid the loan in full including \$18,152 in accrued interest.

On June 28, 2017, the Company entered into a loan agreement with a company formerly related to the Company to borrow \$150,000 at an interest rate of 10% per annum. This loan is payable on demand. As of September 30, 2017, the accrued interest payable was \$3,863.