CHIMATA GOLD CORP

Condensed Interim Financial Statements
Three and Nine Months Ended September 30, 2014

(Unaudited - Expressed in Canadian dollars)

NOTICE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by management, and are not reviewed by the Company's independent auditor.

CHIMATA GOLD CORP.

Condensed Interim Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	Note	September 30, 2014	December 31, 2013
		$	$
Assets			
Current assets			
Cash		24,644	37,351
Prepaid		975	–
HST receivable		1,794	841
Total assets		27,413	38,192
Liabilities and Shareholders' Deficiency			
Current liabilities			
Accounts payable and accrued liabilities	5	105,640	84,260
Notes payable	6	54,065	48,699
		159,705	132,959
Shareholders' deficiency			
Share capital	4	637,039	559,039
Loan reserve		61,994	61,994
Deficit		(831,325)	(715,800)
		(132,292)	(94,767)
Total shareholders' deficiency and liabilities		27,413	38,192

Nature and continuance of operations (Note 1)

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

Approved and authorized for issuance by the board of directors on November 14, 2014

"Curt Huber" — Curt Huber, Director

"Sonny Janda" — Sonny Janda, Director

CHIMATA GOLD CORP.

Condensed Interim Statements of Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

		Three Months Ended September 30,		Nine Months Ended September 30,	
	Note	2014	2013	2014	2013
Expenses		$	$	$	$
Consulting	6	15,700	13,130	29,255	32,031
Office and administration		(767)	515	631	3,370
Occupancy fees	6	4,000	7,500	14,000	22,500
Professional fees		3,375	2,150	7,775	4,150
Property investigation		18,147	5,000	18,147	5,000
Listing and filing fees		27,487	(2,914)	36,905	9,277
Loss before the following:		(67,942)	(25,381)	(106,713)	(76,328)
Accretion		(1,871)	–	(5,366)	–
Interest and finance charges		(1,493)	–	(3,446)	–
Loss and comprehensive loss		(71,306)	(25,381)	(115,525)	(76,328)
Loss per share, basic and diluted		(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of common shares outstanding		38,515,669	37,649,002	37,937,891	37,649,002

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

CHIMATA GOLD CORP.

Condensed Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	Nine months ended September 30, 2014	2013
	$	$
Operating activities		
Loss for the period	(115,525)	(76,328)
Items not involving cash:		
Accretion expenses	(5,366)	–
Changes in non-cash operating working capital		
HST receivable	(953)	5,602
Prepaid	(975)	–
Accounts payable and accrued liabilities	32,112	64,261
Cash used in operating activities	(90,707)	(6,465)
Financing activities		
Increase of note payable	–	5,000
Units issued for cash	78,000	–
	78,000	5,000
Increase (decrease) in cash	(12,707)	(1,465)
Cash, beginning of period	37,351	1,858
Cash, end of period	24,644	393
Cash paid during the period for interest expense	1,346	–
Cash paid during the period for income taxes	–	–

The accompanying notes are an integral part of these condensed interim financial statem

CHIMATA GOLD CORP.

Condensed Interim Statements of Changes in Equity (Deficiency)

(Unaudited - Expressed in Canadian Dollars except for number of shares)

	Number of Outstanding Shares	Share Capital	Loan Reserve	Deficit	Shareholders' equity (deficiency)
		$	$	$	$
Balance, December 31, 2012	37,649,002	559,039	53,471	(238,321)	374,189
Net loss for the period	–	–	–	(76,328)	(76,328)
Balance,September 30, 2013	37,649,002	559,039	53,471	(314,649)	297,861
Balance, December 31, 2013	37,649,002	559,039	61,994	(715,800)	(94,767)
Units issuance for cash	1,300,000	78,000	–	–	78,000
Net loss for the period	–	–	–	(115,525)	(115,525)
Balance, September 30, 2014	38,949,002	637,039	61,994	(831,325)	(132,292)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Chimata Gold Corp. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on November 16, 2010 as Maxtech Resources Inc. The change of name to Chimata Gold Corp. occurred on February 10, 2011. The common shares of the Company began trading on TSX Venture Exchange ("TSXV") on September 16, 2011 under the symbol "CAT". The Company's principal activity is the acquisition and exploration of mineral properties.

The head office, registered address and records office of the Company are located at 8338 - 120th Street, 2nd Floor Surrey, BC, V3W 3N4.

These condensed interim financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at September 30, 2014, the Company had not advanced its exploration and evaluation asset 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 exploration activities on its exploration and evaluation asset, its ability to attain profitable operations and generate funds there from and raise equity capital and/or obtain loans from related parties 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 cash on hand, loans from related parties and or private placement of common shares.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. These condensed interim financial statements are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the most recent audited annual financial statements of the Company for the year ended December 31, 2013.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies and methods of computation as were applied in our most recent audited annual financial statements for the year ended December 31, 2013. The Company has not adopted new accounting policies since then.

Basis of measurement
These condensed interim financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments which are measured at fair value. These condensed interim financial statements are presented in Canadian Dollars, the functional currency of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant estimates and judgments

Significant estimates

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets and the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of 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 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; and
- the classification of expenditures as exploration and evaluation expenditures or operating expenses.

Accounting standards issued but not yet applied

At the date of authorization of these financial statements, IFRS 9 "Financial Instruments" has not been early adopted and is not expected to have a material effect on the Company's future results and financial position.

4. CAPITAL STOCK

Authorized share capital:

Unlimited common shares and preferred shares without par value

As at September 30, 2014, the Company is in the process of closing a non-brokered private placement (the "Financing") consisting of up to ten million units at $0.06 per unit to raise up to $600,000. Each unit will consist of one common share and on share purchase warrant of the Company. Each warrant can be convertible into one common share at $0.06/share for a period of five years from the closing of the financing. The proceeds from the Financing will be used for the Company's working capital.

On August 13, 2014, the Company closed its first tranche of the Financing and issued 1,300,000 units at $0.06/unit for $78,000. As at the date of this report, the Company is in the process of finishing the Financing.

(Unaudited - Expressed in Canadian dollars)

4. CAPITAL STOCK (Continued)

Warrants:

Proceeds from issuances of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

On August 13, 2014, The Company issued 1,300,000 share purchase warrants when the Company closed in first tranche private placement and the Company allocated $Nil to these warrants in accordance with the residual method adopted by the Company.

During nine months ended September 30, 2014, 4,000,000 warrants issued in prior year expired. As a result, the Company had 1,300,000 warrants outstanding on September 30, 2014 with an expiry date of August 13, 2019 and an exercise price of $0.06/share.

Options:

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may, in accordance with TSXV requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. The number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors. The Company has not granted any options to date.

Loan Reserve:

Recorded in the loan reserve is the discount on the loans issued to related parties.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2014	December 31, 2013
	$	$
Accounts payable	90,357	1,288
Accrued liabilities	5,625	16,460
Due to related parties (Note 6)	7,050	66,045
Interest payable	2,608	467
	105,640	84,260

(Unaudited - Expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS

During nine months ended September 30, 2014, the Company incurred $5,255 (Nine months ended September 30, 2013 ("2013 Nine Months") - $5,226) and $10,000 (2013 Nine Months - $Nil) in consulting fees to two companies controlled by the Company's Chief Financial Officer ("CFO") and a director of the Company respectively.

As at September 30, 2014, the Company's accounts payable included $1,800 owing to the Company's CFO (2013/12/31- $1,995) and $5,250 (2013/12/31 - $Nil) to a director of the Company. These amounts are unsecured, non-interest bearing, and have no fixed terms of repayment.

During the year ended December 31, 2013, the Company received loans of $56,000 from Maxtech Ventures Inc., a company having a common director with Chimata, to finance its operations. The loans bear interest at 5% per annum. The loans were discounted using an estimated market rate of 15% per annum with the discount of $8,523 recorded to the loan reserve account in equity on inception. The Company will reverse the discount as accretion expense over the remaining term of the loan to maturity. As at September 30, 2014, the carrying value of this promissory note was $54,065 (12/31/2013 - $48,699). This promissory note is unsecured and will mature on December 31, 2014.

7. SEGMENT INFORMATION

During the nine months period ended September 30, 2014, The Company primarily operates in one reportable operating segment, being the acquisition, exploration and development of resource properties located in Canada.

8. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	September 30, 2014	December 31, 2013
	$	$
Fair value through profit or loss:		
Cash	24,644	37,351

Financial liabilities included in the statement of financial position are as follows:

	September 30, 2014	December 31, 2013
	$	$
Non-derivative financial liabilities:		
Trade payables	90,357	1,288
Due to related parties	7,050	66,045
Notes payable	54,065	48,699
Interest payable	2,608	467
	154,080	116,499

8. FINANCIAL INSTRUMENTS (Continued)

Fair value

The fair value of the Company’s financial assets and liabilities approximates the carrying amount due to their short term nature