



Financial Statements
December 31, 2015

(Expressed in Canadian dollars)



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Chimata Gold Corp.

We have audited the accompanying financial statements of Chimata Gold Corp., which comprise the statements of financial position as at December 31, 2015 and 2014 and the statements of comprehensive loss, changes in shareholders' deficiency and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chimata Gold Corp. as at December 31, 2015 and 2014 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about Chimata Gold Corp.'s ability to continue as a going concern.

A handwritten signature in black ink that reads 'DMCL'.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
April 21, 2015

An independent firm associated with
Moore Stephens International Limited

MOORE STEPHENS

CHIMATA GOLD CORP.
Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	December 31, 2015	December 31, 2014
		\$	\$
Assets			
Current assets			
Cash		1,504	3,114
GST receivable		420	193
Total assets		1,924	3,307
Liabilities and Shareholders' Deficiency			
Current liabilities			
Accounts payable and accrued liabilities	4	125,469	62,482
Notes payable	5	56,000	56,000
		181,469	118,482
Shareholders' deficiency			
Share capital	6	646,302	634,302
Loan reserve		61,994	61,994
Deficit		(887,841)	(811,471)
		(179,545)	(115,175)
Total shareholders' deficiency and liabilities		1,924	3,307

The accompanying notes are an integral part of these financial statements

Approved and authorized for issuance by the Board of Directors on April 11, 2016

"Curt Huber"

Curt Huber, Director

"Sonny Janda"

Sonny Janda, Director

CHIMATA GOLD CORP.
Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

		Years ended December 31,	
	Note	2015	2014
Expenses		\$	\$
Consulting	5	23,650	45,680
Office and administration		1,172	5,382
Occupancy fees	5	15,000	–
Professional fees		16,007	9,950
Property investigation		–	55,611
Listing and filing fees		13,814	35,797
Loss before the following:		(69,643)	(152,420)
Finance fees	5	(6,727)	(7,301)
Gain on related party debt	5	–	64,050
Loss and comprehensive loss		(76,370)	(95,671)
Loss per share, basic and diluted		(0.00)	(0.00)
Weighted average number of common shares outstanding		39,092,564	38,190,669

The accompanying notes are an integral part of these financial statements

CHIMATA GOLD CORP.**Statement of Changes in Shareholders' Deficiency**

(Expressed in Canadian Dollars except for number of shares)

	Number of Outstanding Shares	Share Capital	Loan Reserve	Deficit	Shareholders' deficiency
		\$	\$	\$	\$
Balance, December 31, 2013	37,649,002	559,039	61,994	(715,800)	(94,767)
Unit issuance for cash	1,300,000	78,000	–	–	78,000
Share issue costs	–	(2,737)	–	–	(2,737)
Net and comprehensive loss for the year	–	–	–	(95,671)	(95,671)
Balance, December 31, 2014	38,949,002	634,302	61,994	(811,471)	(115,175)
Unit issuance for cash	200,000	12,000	–	–	12,000
Net and comprehensive loss for the year	–	–	–	(76,370)	(76,370)
Balance, December 31, 2015	39,149,002	646,302	61,994	(887,841)	(179,545)

The accompanying notes are an integral part of these financial statements

CHIMATA GOLD CORP.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Years ended December 31,	
	2015	2014
	\$	\$
Operating activities		
Loss for the year	(76,370)	(95,671)
Items not involving cash:		
Accrued finance fees	6,727	7,301
Gain on related party debt	-	(64,050)
Changes in non-cash operating working capital		
GST receivable	(227)	648
Accounts payable and accrued liabilities	56,260	42,272
Cash used in operating activities	(13,610)	(109,500)
Financing activities		
Proceeds from units issued for cash	12,000	78,000
Share issuance costs	-	(2,737)
Cash provided by financing activities	12,000	75,263
Decrease in cash	(1,610)	(34,237)
Cash, beginning of year	3,114	37,351
Cash, end of year	1,504	3,114

The accompanying notes are an integral part of these financial statements

CHIMATA GOLD CORP.

Notes to the Financial Statements

Year ended December 31, 2015

(Expressed in Canadian dollars)

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. and changed its name to Chimata Gold Corp. 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", and on the Frankfurt Exchange on July 29, 2014 under the symbol "8CH". 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 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. The Company's continuation as a going concern is dependent upon the successful identification of an exploration and evaluation asset, its ability to raise equity capital, to obtain loans from related parties, and to attain profitable operations to generate funds and meet current and future obligations. As at December 31, 2015, the Company had not advanced any exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. 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

The financial statements of the Company, including comparatives, have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of measurement

The 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. The financial statements are presented in Canadian Dollars.

CHIMATA GOLD CORP.

Notes to the Financial Statements

Year ended December 31, 2015

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

The Company classifies its financial instruments in the following categories: loans and receivables, and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

The Company does not have any derivative financial assets and liabilities.

Exploration and evaluation assets

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

CHIMATA GOLD CORP.
Notes to the Financial Statements
Year ended December 31, 2015
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation assets

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Impairment of assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Asset retirement and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

CHIMATA GOLD CORP.
Notes to the Financial Statements
Year ended December 31, 2015
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments

The fair value of share options granted to employees is measured at the grant date and recognized over the vesting period with a corresponding increase in equity. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is credited to the share-based payment reserve. The fair value of the options granted is measured using the Black-Scholes option-pricing model. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Reclassification

Certain prior year amounts have been reclassified to conform to the current year's presentation.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the years ended December 31, 2015 and 2014, basic loss per share equals diluted loss per share as the effect of the outstanding warrants would be anti-dilutive.

Income taxes

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

CHIMATA GOLD CORP.

Notes to the Financial Statements

Year ended December 31, 2015

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Deferred tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Significant estimates and assumptions

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 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

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

CHIMATA GOLD CORP.**Notes to the Financial Statements**

Year ended December 31, 2015

(Expressed in Canadian dollars)

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2015	December 31, 2014
	\$	\$
Trades payable	58,616	42,986
Accrued liabilities	13,000	7,800
Due to related parties (Note 5)	43,818	8,388
Interest payable on loans (Note 5)	10,035	3,308
	125,469	62,482

5. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2015, the Company incurred \$1,850 (2014 - \$7,405) in consulting fees to a company controlled by the Company's Chief Financial Officer ("CFO"), \$Nil (2014 - \$15,000) in consulting fees to a company controlled by the Company's Chief Executive Officer ("CEO"), \$Nil (2014 - \$23,275) in consulting fees to a company with a common director, and \$21,000 (2014 - \$Nil) in consulting fees and \$15,000 (2014 - \$Nil) in occupancy costs to a company controlled by a relative of one of the Company's directors.

As at December 31, 2015, the Company's due to related parties included \$105 (2014 - \$4,038) owing to the Company's CFO, \$43,713 (2014 - \$Nil) owing to a company controlled by a relative of one of the Company's directors and \$Nil (2014 - \$4,350) owing to a Company with common directors. These amounts are unsecured, non-interest bearing, and have no fixed terms of repayment. During the year ended December 31, 2014, \$64,050 owing to a Company controlled by a relative of one of the Company's directors was forgiven.

During the year ended December 31, 2013, the Company received loans of \$56,000 from Maxtech Ventures Inc., the former parent company of the Company to finance its operations. Maxtech Ventures Inc. and the Company had a common director when the loans were advanced. Both loans bore interest at 5% per annum until December 31, 2014 (the maturity date of the loan), after which interest increased to prime plus 10% per annum for the loan of \$51,000 and remained at 5% per annum for the loan of \$5,000. 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 had been reversing the discount as accretion expense over the remaining term of the loan to maturity, and as at December 31, 2014, the loans were fully accreted. During the year ended December 31, 2015, \$6,727 (2014 - \$7,301) of interest and accretion was recorded.

CHIMATA GOLD CORP.
Notes to the Financial Statements
Year ended December 31, 2015
(Expressed in Canadian dollars)

6. SHARE CAPITAL

Authorized share capital:

Unlimited common shares and preferred shares without par value

On April 13, 2015, the Company completed a private placement that was initiated during the year ended December 31, 2014, by issuing 200,000 units at \$0.06 per unit for gross proceeds of \$12,000. Each unit is comprised of one common share and one share purchase warrant exercisable into one common share of the Company at \$0.08 per share, and expiring 5 years after issuance. The value of the warrants was determined to be \$Nil. On August 31, 2014, the Company closed the first tranche of this financing by issuing 1,300,000 units for gross proceeds of \$78,000.

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.

Balance, December 31, 2013	-
Issued	1,300,000
Balance, December 31, 2014	1,300,000
Issued	200,000
Balance, December 31, 2015	1,500,000

As at December 31, 2015, the Company had 1,500,000 warrants outstanding, which had an exercise price of \$0.06 per share and weighted average remaining life of 3.68 years.

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.

7. SEGMENT INFORMATION

During the years ended December 31, 2015 and 2014, the Company operates in one reportable operating segment, being the acquisition, exploration and development of resource properties located in Canada.

CHIMATA GOLD CORP.

Notes to the Financial Statements

Year ended December 31, 2015

(Expressed in Canadian dollars)

8. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the Board of Directors. The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is meeting its objective of managing capital through preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity. The Company is not subject to any externally imposed capital restrictions. There were no changes in the Company's approach to capital management during the year.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major Canadian bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements as well as related party loans. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not incur significant expenditures that are denominated in foreign currencies, and does not have any mineral property commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is considered minimal.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its notes payable as the interest rate is dependent on Canada's prime interest rate. Since the Canadian prime interest rate is fairly stable, the Company's exposure to interest rate risk is not considered to be significant.

CHIMATA GOLD CORP.**Notes to the Financial Statements**

Year ended December 31, 2015

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)**Classification of financial instruments**

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

	December 31, 2015	December 31, 2014
	\$	\$
Loans and receivables:		
Cash	1,504	3,114

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

	December 31, 2015	December 31, 2014
	\$	\$
Non-derivative financial liabilities:		
Trade payables	58,616	42,986
Due to related parties	43,818	8,388
Notes payable	56,000	56,000
Interest payable	10,035	3,308
	168,469	110,682

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

10. INCOME TAXES

The income tax provisions differ from the expected amounts calculated by applying Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	December 31, 2015	December 31, 2014
	\$	\$
Net loss	(76,370)	(95,671)
Statutory tax rate	26%	25%
Expected income tax recovery	(19,856)	(23,918)
Permanent differences	-	(16,013)
Adjustment to prior year's provision	23,600	-
Impact of change in tax rate	(6,914)	-
Change in unrecognised deferred assets	3,170	39,931
Actual income tax recovery	-	-

CHIMATA GOLD CORP.
Notes to the Financial Statements
Year ended December 31, 2015
(Expressed in Canadian dollars)

10. INCOME TAXES (Continued)

The Company's tax-effected deferred income tax assets and liabilities are estimated as follows:

	December 31, 2015	December 31, 2014
Deferred income tax assets	\$	\$
Non-capital losses carried forward	101,478	102,441
Exploration and evaluation asset	97,715	94,009
Share issuance costs	427	-
	199,620	196,450
	(199,620)	(196,450)
Net deferred income tax assets	-	-

As at December 31, 2015, the Company has income tax loss carry forwards of approximately \$390,000 to reduce future federal and provincial taxable income which expire between 2030 and 2035.