CHIMATA GOLD CORP.

Condensed Interim Financial Statements
Three and Six Months Ended June 30, 2016

(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 were not reviewed by the Company's independent auditor.

CHIMATA GOLD CORP.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	June 30, 2016	December 31, 2015
		$	$
Assets			
Current assets			
Cash		61	1,504
Sales tax receivable		2,163	420
Total assets		2,224	1,924
Liabilities and Shareholders' Deficiency			
Current liabilities			
Accounts payable and accrued liabilities	5	147,143	125,469
Notes payable	6	67,780	56,000
		214,923	181,469
Shareholders' deficiency			
Share capital	4	646,302	646,302
Loan reserve		61,994	61,994
Deficit		(920,995)	(887,841)
		(212,699)	(179,545)
Total shareholders' deficiency and liabilities		2,224	1,924

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 August 28, 2015

"Curt Huber"   *"Sonny Janda"*

Curt Huber, Director   Sonny Janda, Director

CHIMATA GOLD CORP.

Condensed Interim Statements of Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
Expenses		$	$	$	$
Consulting	6	6,000	4,500	15,000	13,500
Office and administration		52	–	52	–
Occupancy fees	6	3,000	4,500	3,000	4,500
Professional fees		1,507	1,707	3,007	1,707
Listing and filing fees		2,559	9,773	8,630	10,251
Loss before the following:		(13,118)	(20,480)	(29,689)	(29,958)
Accretion and interest		(1,723)	(1,672)	(3,465)	(2,403)
Loss and comprehensive loss		(14,841)	(22,152)	(33,154)	(32,361)
Loss per share, basic and diluted		(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of common shares outstanding		39,149,002	39,113,837	39,149,002	39,031,875

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)

	Six months ended	June 30,
	2016	2015
	$	$
Operating activities		
Loss for the period	(33,154)	(32,361)
Changes in non-cash operating working capital		
HST receivable	(1,743)	(1,127)
Accounts payable and accrued liabilities	21,674	19,006
Cash (used) in operating activities	(13,223)	(14,482)
Financing activities		
Issuance of promissory note	11,780	–
Issuance of common shares net of commissions	–	12,000
Cash provided by financing activities	11,780	12,000
(Decrease) in cash	(1,443)	(2,482)
Cash, beginning of period	1,504	3,114
Cash, end of period	61	632
Cash paid during the period for interest expense	–	27

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

CHIMATA GOLD CORP.

Condensed Interim Statements of Changes in 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, 2014	38,949,002	634,302	61,994	(811,471)	(115,175)
Common shares issued	200,000	12,000	–	–	12,000
Net loss for the period	–	–	–	(32,361)	(32,361)
Balance, June 30, 2015	39,149,002	646,302	61,994	(843,832)	(135,536)
Balance, December31, 2015	39,149,002	646,302	61,994	(887,841)	(179,545)
Net loss for the period	–	–	–	(33,154)	(33,154)
Balance, June 30, 2016	39,149,002	646,302	61,994	(920,995)	(212,699)

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. Pursuant to an arrangement agreement between the Company and its former parent company ("Maxtech Ventures Inc." or "Maxtech") that became effective on August 17, 2011, the Company spun out from Maxtech and 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 in Canada.

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. As at June 30, 2016, 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, 2015.

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, 2015. The Company has not adopted new accounting policies since then.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

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.

As at June 30, 2016, the Company had 1,500,000 warrants outstanding, which had an exercise price of $0.06 per share and weighted average remaining life of 3.21 years.

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(Unaudited - Expressed in Canadian dollars)

4. CAPITAL STOCK (Continued)

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

	June 30, 2016	December 31, 2015
	$	$
Trade payable	59,704	58,616
Accrued liabilities	6,000	13,000
Due to related parties (Note 6)	68,124	43,818
Interest payable on loans (Note 6)	13,399	10,035
	147,227	125,469

6. RELATED PARTY TRANSACTIONS

As at June 30, 2016, the Company's accounts payable and accrued liabilities $105 owing to the Company's former CFO (March 31, 2015 - $2,200). $68,124 (June 30, 2015 - $20,540) owing to a company controlled by a relative of one of the Company's directors. These amounts are unsecured, non-interest bearing, and have no fixed terms of repayment.

Note payable

a) Maxtech Venture Inc.

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.

(Unaudited - Expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS (Continued)

During the six months ended June 30, 2016, $3,364 (June 30, 2015 - $3,364) of interest and accretion was recorded.

b) Other

During the three months ended June 30, 2016, the Company received on demand loan of $11,780 from an arms-length party at an interest rate of 5% per annum.

7. SEGMENT INFORMATION

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:

	June 30, 2016	**December 31, 2015**
	$	$
Fair value through profit or loss:		
Cash	61	1,504

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

	June 30, 2016	**December 31, 2015**
	$	$
Non-derivative financial liabilities:		
Trade payables	59,704	58,616
Due to related parties	68,124	43,818
Notes payable	67,780	56,000
Interest payable	13,399	10,035
	209,007	168,469

Fair value

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