



CHIMATA GOLD CORP.

**Condensed Interim Financial Statements
Three Months Ended March 31, 2017**

(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.**Statements of Financial Position**

Expressed In Canadian Dollars

	<u>March 31, 2017</u>	<u>December 31, 2016</u>
Assets	\$	\$
Current assets		
Cash	13,661	23,205
GST receivable	-	-
	<u>13,661</u>	<u>23,205</u>
Non-current asset		
Exploration and evaluation asset	5,000	5,000
Total Assets	<u><u>18,661</u></u>	<u><u>23,205</u></u>
Liabilities and Shareholders' Deficiency		
Current liabilities		
Accounts payable and accrued liabilities	47,057	42,291
Notes payable	-	-
	<u>47,057</u>	<u>42,291</u>
Shareholders' deficiency		
Share capital	833,802	833,802
Loan reserve	61,994	61,994
Warrant reserve	62,500	62,500
Deficit	(986,692)	(972,382)
	<u>(28,396)</u>	<u>(14,086)</u>
Total liabilities and shareholders' deficiency	<u><u>18,661</u></u>	<u><u>28,205</u></u>

Approved and authorized for issuance by the Board of Directors on May 24, 2017

"Curt Huber"

Curt Huber, Director

"Robert Rosner"

Robert Rosner, Director

The accompanying notes are an integral part of these financial statements

CHIMATA GOLD CORP.**Condensed Interim Statements of Comprehensive Loss**

(Expressed in Canadian Dollars)

	Three months ended March 31, 2017	Three months ended March 31, 2016
	\$	\$
Expenses		
Consulting	-	9,000
Management fees	1,500	-
Mineral Property Investigation Fees	-	-
Office and administration	1,523	-
Occupancy fees	1,500	-
Professional fees	-	1,500
Listing and filing fees	9,763	6,071
Loss before the following:	<u>(14,286)</u>	<u>(16,571)</u>
Finance fees	(24)	(1,742)
Gain on settlement of payables	-	-
Comprehensive loss	<u><u>(14,310)</u></u>	<u><u>(18,313)</u></u>
Loss per share, basic and diluted	<u>-</u>	<u>-</u>
Weighted average number of common shares outstanding	<u>51,649,002</u>	<u>39,149,002</u>

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)

	Three months Ended March 31, 2017	Three months Ended March 31, 2016
	\$	\$
Operating Activities		
Loss for the year	(14,310)	(18,313)
Items not involving cash:		
Accrued finance fees	24	1,682
Changes in non-operating working capital		
GST receivable		(754)
Accounts payable and accrued liabilities	4,742	16,911
Cash used in operating activities	<u>(9,544)</u>	<u>(474)</u>
Investing Activities		
Evaluation and exploration expenditure	-	-
Cash used in investing activities	<u>-</u>	<u>-</u>
Financing Activities		
Proceeds from units issued for cash	-	-
Loan payable	-	-
Cash provided by financing activities	<u>-</u>	<u>-</u>
Increase (decrease) in cash	<u>(9,544)</u>	<u>(474)</u>
Cash, beginning of period	<u>23,205</u>	<u>1,504</u>
Cash, end of period	<u><u>13,661</u></u>	<u><u>1,030</u></u>

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

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

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

	Number of Outstanding Shares	Share Capital	Loan Reserve	Warrant Reserve	Deficit	Total
		\$	\$	\$	\$	\$
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
Comprehensive loss	-	-	-	-	(76,370)	(76,370)
Balance, December 31, 2015	39,149,002	646,302	61,994	-	(887,841)	(179,545)
Unit issuance for cash	12,500,000	187,500	-	62,500	-	250,000
Comprehensive loss	-	-	-	-	(84,541)	(84,541)
Balance, December 31, 2016	51,649,002	833,802	61,994	62,500	(972,382)	(14,086)
Comprehensive loss	-	-	-	-	(14,310)	(14,310)
Balance, March 31, 2017	<u>51,649,002</u>	<u>833,802</u>	<u>61,994</u>	<u>62,500</u>	<u>(986,692)</u>	<u>(28,396)</u>

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

CHIMATA GOLD CORP.

Notes to the Condensed Interim Financial Statements

Three Months Ended March 31, 2017

(Unaudited - 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 #106 – 1069 Mt. Seymour Road, North Vancouver, BC V7H 2Y4.

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, 2016, 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

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, 2016.

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, 2016. The Company has not adopted new accounting policies since then.

CHIMATA GOLD CORP.

Notes to the Condensed Interim Financial Statements

Three Months Ended March 31, 2017

(Unaudited - Expressed in Canadian dollars)

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. MINERAL PROPERTY INTEREST

On August 31, 2016, the Company entered into an option agreement with Innovative Properties Inc. to earn up to 100% interest in certain mineral concessions located about 12 kilometres from Squamish, British Columbia ("Maggie Gold Property"). The agreement is subject to the TSXV approval.

The option agreement was amended on April 21, 2017. Under the amended agreement, the Company is required to fulfil the following.

- Cash payment of \$5,000 on the later of three days of the option agreement being executed or approval by the TSXV (paid);
- Cash payment of \$50,000 on or before October 31, 2017;
- Incur exploration costs of \$50,000 on or before October 31, 2017; and
- Incur exploration costs of \$50,000 on or before March 31, 2018.

The Maggie Gold Property is subject to a 1% net smelter return ("NSR") and the Company has the option to purchase 0.5% NSR for an aggregate payment of \$100,000.

CHIMATA GOLD CORP.

Notes to the Condensed Interim Financial Statements

Three Months Ended March 31, 2017

(Unaudited - Expressed in Canadian dollars)

5. 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 March 31, 2017, the Company had 14,000,000 warrants outstanding, which had an exercise price of \$0.05 per share and weighted average remaining life of 4.34 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.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2017	December 31, 2016
	\$	\$
Trade payable	16,700	13,573
Accrued liabilities	14,639	13,000
Interest payable on loans (Note 7)	15,718	15,718
	47,057	42,291

7. SEGMENT INFORMATION

The Company primarily operates in one reportable operating segment, being the acquisition, exploration and development of resource properties located in Canada.

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

Three Months Ended March 31, 2017

(Unaudited - Expressed in Canadian dollars)

8. FINANCIAL INSTRUMENTS**Classification of financial instruments**

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

	March 31, 2017	December 31, 2016
	\$	\$
Fair value through profit or loss:		
Cash	13,661	23,205

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

	March 31, 2017	December 31, 2016
	\$	\$
Non-derivative financial liabilities:		
Trade payables	16,700	13,573
Interest payable	15,718	15,718
	32,418	29,291

Fair value

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