BRIGADE RESOURCE CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR PERIOD ENDED DECEMBER 31, 2015

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of consolidated interim financial statements by an entity's auditor.

BRIGADE RESOURCE CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

As at		December 31, 2015		March 31, 2015
ASSETS				
Current				
Cash	$	10,038	$	10
Prepaids and deposits		125,976		-
Receivables		11,063		-
Due from related parties		10,400		-
		157,477		10
Exploration and evaluation assets (Note 5)		100,000		-
	$	257,477	$	10
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	8,292	$	4,625
Shareholders' equity				
Share capital (Note 6)		6,132,000		10
Subscription received in advance		15,000		-
Reserves		281,805		-
Deficit		(6,179,620)		(4,625)
		249,185		(4,615)
	$	257,477	$	10

Nature of operations and going concern (Note 1)

Approved and authorized by the Board on February 29, 2015:

"Glenn Little" Director

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

BRIGADE RESOURCE CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

	For the three months ended December 31, 2015	For the nine months ended December 31, 2015
OPERATING EXPENSES		
Exploration and evaluation expenditures	$ 765	$ 7,353
Management fees	53,000	88,000
Office and administrative	6,969	11,357
Professional fees	28,543	51,677
Share-based payments (Note 6)	73,645	281,805
Foreign exchange	(5,382)	(5,382)
Total operating expenses	(157,540)	(434,810)
Merger expense	-	(5,740,185)
Loss and comprehensive loss for the period	$ (157,540)	$ (6,174,995)
Basic and diluted loss per common share	$ (0.00)	$ (0.31)
Weighted average number of common shares outstanding	30,660,000	19,852,255

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

BRIGADE RESOURCE CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

For the nine months ended:		December 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$	(6,174,995)
Non-cash items:		
Merger expense		5,740,185
Share-based payments (Note 6)		281,805
Changes in non-cash working capital items:		
Accounts Receivables		(8,063)
Accounts payable and accrued liabilities		(138,059)
		(299,127)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Brigadier		334,155
Exploration and evaluation assets		(40,000)
		294,155
CASH FLOWS FROM FINANCING ACTIVITIES		
Subscriptions received in advance		15,000
Change in cash during the period		10,028
Cash, beginning of period		10
Cash, end of period	$	10,038

There were no significant non-cash transactions for nine month period ended December 31, 2015.

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

BRIGADE RESOURCE CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share capital					
	Number	**Amount**	**Reserves**	**Subscriptions Received in advance**	**Deficit**	**Total**
Balance, October 9, 2014 (incorporation)	10	$ 1	$ -	$ -	-	$ 1
Private placements	10,000	10	-	-	-	10
Return of capital	(10)	(1)	-	-	-	(1)
Loss for the period	-	-	-	-	(4,625)	(4,625)
Balance, March 31, 2015	10,000	10	-	-	(4,625)	(4,615)
Shares issued for acquisitions (Note 3)	30,660,000	6,132,000	-	-	-	6,132,000
Subscriptions received in advance	-	-	-	15,000	-	15,000
Return of Capital	(10,000)	(10)	-	-	-	(10)
Stock options issued (Note 5)	-	-	281,805	-	-	281,805
Loss for the period	-	-	-	-	(6,174,995)	(6,174,995)
Balance, December 31, 2015	30,660,000	$ 6,132,000	$ 281,805	$ 15,000	(6,179,620)	$ 249,185

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Brigade Resource Corp. (the “Company”) was incorporated on October 9, 2014 in British Columbia under the Business Corporations Act. The Company is in the business of exploring for and evaluating economically viable mineral resource deposits.

The Company’s corporate head office is Suite 2502, 1211 Melville Street, Vancouver British Columbia, V6E 0A7. The Company’s records office is 1820-925 W Georgia Street, Vancouver, British Columbia V6C 3L2.

The Company’s condensed consolidated interim financial statements are presented in Canadian dollars.

The Company has not generated revenues from operations. These condensed consolidated interim financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2015, the Company had a working capital of $149,185. The Company has incurred negative cash flows from operations, recorded a loss of $6,174,995 for the period ended December 31, 2015, and has a deficit of $6,179,920 as at December 31, 2015. The Company’s ability to continue on a going concern basis depends on its ability to successfully raise additional financing. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. This material uncertainty may cast significant doubt about the Company’s ability to continue as a going concern. These condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (collectively “IFRS”) as issued by the International Accounting Standards Board (“IASB”) and by the International Financial Reporting Interpretations Committee (“IFRIC”).

Basis of Consolidation and Presentation

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial assets that are measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its wholly controlled subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The condensed consolidated interim financial statements include the accounts of the Company and its direct wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

Use of Estimates and Judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Critical Accounting Estimates

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION *(cont'd…)*

Use of Estimates and Judgments *(cont'd…)*

Critical Accounting Judgments

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project. Management considers the economics of the project, including the latest resources prices and the long-term forecasts, and the overall economic viability of the project.

From time to time, certain claims, suits, and complaints may arise in the ordinary course of operations against the Company which require management to make certain estimates, judgments, and assumptions about the suit. In the opinion of management, any provisions related to such claims, if any, will be accrued when the claims meet the recognition criteria for contingent liabilities. Management is not aware of any material contingent liabilities which require recording in the condensed consolidated interim financial statements.

New standard not yet adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective during the period ended December 31, 2015:

IFRS 9	New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets(i)
IFRS11 (Amendment)	Amendment to provide specific guidance on accounting for the acquisition of an interest in a joint operation that is a business. (ii)

(i) Effective for annual periods beginning on or after January 1, 2018
(ii) Effective for annual periods beginning on or after January 1, 2016

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

3. ASSET ACQUISITION

On November 20, 2014, the Company entered into an Arrangement Agreement (the "Arrangement") with Voltaire Services Corp. ("Voltaire"), the shareholders of the Company and Brigadier Exploration Corp. ("Brigadier"). Voltaire is a reporting issuer in the provinces of Alberta and British Columbia.

On July 6, 2015, the shareholders of the Company, Brigade and Voltaire executed the Arrangement whereby the Company acquired all of the issued and outstanding capital stock of Brigadier from Voltaire in consideration for securities of the Company on a one-for-one basis.

The estimated fair value of 30,660,000 common shares issued by the Company to Brigadier shareholders for the acquisition was $6,132,000. The transaction was accounted for as an asset acquisition of exploration and evaluation assets and related assets and liabilities using the purchase method, rather than as a business combination, as the net assets acquired did not represent a separate business. The total purchase price of $6,132,000 was allocated to the fair value of the net assets of Brigadier as follows:

Cash	334,155
Receivables	3,000
Due from related parties	12,500
Exploration and evaluation assets	60,000
Accounts payable and accrued liabilities	(17,850)
Merger expense	5,740,185
Return of capital	10
	6,132,000

4. PREPAIDS AND DEPOSITS

On October 21, 2015, the Company entered into a First Right of Refusal Agreement ("Agreement") with West Port Energy, LLC ("WPE"). The Agreement gives the Company the right to acquire up to 70% interest in a gold property located in the southern La Paz County, Arizona (the "Property") owned by WPE. In consideration, the Company paid US$75,000 (the "Payment") to WPE included in prepaids and deposits as at December 31, 2015. The Company has until January 19, 2016 ("Closing Date") to complete Company's due diligence investigations on WPE and the Property. If the Company proceeds with the Agreement, WPE and the Company will work to complete a definitive agreement and the Payment will be applied towards the final agreed consideration. If the Company decides not to proceed with the Agreement, WPE will refund the Company US$50,000 and retain the balance of US$25,000. (See Note 11)

5. EXPLORATION AND EVALUATION ASSETS

Patterson Lake Property

On September 24, 2014, the Company entered into a purchase option agreement with Voltaire to acquire a 100% interest in certain mining claims in the Paterson Property located in the District of Kenora, Ontario for a total consideration of $150,000 and by the issuance of 2,300,000 common shares payable in five installment payments.

On February 10, 2015, the purchase option agreement was terminated by mutual agreement of the parties. The Company had paid $12,500 and issued 1,700,000 common shares with a value of $34,000 upon the execution of the option agreement. Voltaire has agreed to repay the $12,500 and return the 1,700,000 common shares to the Company. As of December 31, 2015, the balance owing from Voltaire is $10,400.

Brooks Lake Property

On April 15, 2015, the Company entered into a purchase option agreement with Voltaire to acquire a 100% interest in certain mining claims located in the Township of Brooks Lake in the District of Kenora, Ontario. Total consideration of $50,000 and 500,000 shares is payable as follows:

- $10,000 and 100,000 common shares upon signing of agreement (paid and common shares issued);
- $10,000 and 100,000 common shares on the first anniversary of the agreement;
- $10,000 and 100,000 common shares on the second anniversary of the agreement;
- $10,000 and 100,000 common shares on the third anniversary of the agreement; and
- $10,000 and 100,000 common shares on the fourth anniversary of the agreement.

The property is subject to a 2% net smelter royalty ("NSR"). The Company may purchase 1% of the NSR at any time for $1,000,000.

Boyer Lake Property

On April 15, 2015 the Company entered into a purchase option agreement with Voltaire to acquire a 100% interest in certain mining claims located in the Township of Boyer Lake in the District of Kenora, Ontario. Total consideration of $50,000 and 500,000 shares is payable as follows:

- $10,000 and 100,000 common shares upon signing of agreement (paid and common shares issued);
- $10,000 and 100,000 common shares on the first anniversary of the agreement;
- $10,000 and 100,000 common shares on the second anniversary of the agreement;
- $10,000 and 100,000 common shares on the third anniversary of the agreement; and
- $10,000 and 100,000 common shares on the fourth anniversary of the agreement.

The property is subject to a 2% net smelter royalty ("NSR"). The Company may purchase 1% of the NSR at any time for $1,000,000.

5. EXPLORATION AND EVALUATION ASSETS *(cont'd…)*

Surprise Lake Property

On April 15, 2015, the Company entered into a purchase option agreement with Jerrold Williamson to acquire a 100% interest in certain mining claims located in the District of Kenora, Ontario. Total consideration of $50,000 and 500,000 shares is payable as follows:

- $10,000 and 100,000 common shares upon signing of agreement (paid and common shares issued);
- $10,000 and 100,000 common shares on the first anniversary of the agreement;
- $10,000 and 100,000 common shares on the second anniversary of the agreement;
- $10,000 and 100,000 common shares on the third anniversary of the agreement; and
- $10,000 and 100,000 common shares on the fourth anniversary of the agreement.

The property is subject to a 2% net smelter royalty ("NSR"). The Company may purchase 1% of the NSR at any time for $1,000,000.

Joyce Lake Property

On July 21, 2015, the Company entered into a purchase option agreement with Voltaire to acquire a 100% interest in certain mining claims located in the District of Red Lake, Ontario. Total consideration of $50,000 and 500,000 common shares is payable as follows:

- $10,000 and 100,000 common shares upon signing of agreement (cash paid);
- $10,000 and 100,000 common shares on or before the first anniversary of the agreement;
- $10,000 and 100,000 common shares on or before the second anniversary of the agreement;
- $10,000 and 100,000 common shares on or before the third anniversary of the agreement; and
- $10,000 and 100,000 common shares on or before the fourth anniversary of the agreement.

The property is subject to a 2% net smelter royalty ("NSR"). The Company may purchase 1% of the NSR at any time for $1,000,000.

6. SHARE CAPITAL AND RESERVES

a) Authorized share capital

Unlimited number of common and preferred shares without par value.

b) Issued share capital

During the nine month period ended December 31, 2015, the Company:

- Issued 30,660,000 common shares at a value of $0.20 per common shares for the acquisition of Brigadier (Note 3);
- Cancelled and returned 10,000 common shares at a value of $0.001 per common share to the treasury.

During the period from incorporation on October 9, 2014 to March 31, 2015, the Company:

- Completed a non-brokered private placement with Voltaire Service Corp. by issuing 10,000 common shares at a price of $0.001 per common share for total proceeds of $10.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES *(cont'd…)*

c) Stock options

	Number	Weighted Average Exercise Price
Outstanding, March 31, 2015	-	$ -
Granted	1,900,000	0.20
Expired/cancelled	(600,000)	0.20
Outstanding and exercisable, December 31, 2015	1,300,000	$ 0.20

The following incentive stock options were outstanding at December 31, 2015:

Number of Shares	Exercise Price	Expiry Date
800,000	$ 0.20	May 21, 2020
500,000	0.20	October 28, 2020
1,300,000		

d) Share-based payments

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan the exercise price of each stock option may be no less than the greater of $0.10 per share and the closing market price of the Company's shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the stock exchange on which the shares are traded, as calculated on the date of grant.

During the period ended December 31, 2015, the Company granted 1,900,000 stock options. The fair value per option calculated using the Black-Scholes option-pricing model was $0.15 for total share-based payment expense recognized in the statement of loss and comprehensive loss of $281,805.

The following weighted average assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted during the period:

	December 31, 2015
Risk-free interest rate	1.05%
Expected life of options	5 years
Expected annualized volatility	100%
Dividend yield	0.0%

7. RELATED PARTY TRANSACTIONS

These consolidated financial statements include the financial statements of the Company and its 100% owned subsidiary Brigadier Exploration Corp.

Key management personnel comprise of the Chief Executive Officer, Chief Financial Officer, Directors of the Company, and Voltaire Service Corp., a Company with a common former Chief Executive Officer and Director. The remuneration of the key management personnel is as follows:

a) Management fees of $30,000 to the former CEO and Director of the Company.

b) Management fees of $45,000 to the CEO and Director of the Company.

7. RELATED PARTY TRANSACTIONS *(cont'd…)*

c) Management fees of $8,000 to the CFO of the Company.

d) Recorded share-based compensation of $222,749 for stock options granted and vested to directors and officers of the Company.

As at December 31, 2015, the balances due to related parties included in accounts payable and accrued liabilities were $1,050. These amounts are unsecured, non-interest bearing and payable on demand.

8. SEGMENTED INFORMATION

The Company operates in one industry segment, the mining industry, and one geographical segments, Canada.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2015, the Company had a cash balance of $10,038 to settle current liabilities of $8,292.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance on-going exploration of its properties, such capital to be derived from the exercise of outstanding warrants and the completion of other equity financings.

The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(cont'd…)*

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at December 31, 2015, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Price risk

The resource industry is heavily dependent upon the market price of the resources being extracted. There is no assurance that, even if commercial quantities of resources are discovered, a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be extracted at a profit. Factors beyond control of the Company may affect the marketability of any resources discovered. The price of oil has experienced volatile and significant price movements over short periods of time, and is affected by numerous factors beyond the Company's control. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

10. CAPITAL MANAGEMENT

The Company considers capital to be the elements of shareholders' equity. The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the exploration and development of its mineral property interests. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

11. SUBSEQUENT EVENTS

On January 19, 2016, the Company and WPE had not yet entered into a definitive agreement in connection with the First Right of Refusal on the La Paz Property. The parties mutually agreed in writing to amend the Agreement by extending the Closing Date to May 18, 2016. (See Note 4.)