BRIGADE RESOURCE CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR YEAR ENDED MARCH 31, 2016

(Expressed in Canadian Dollars)

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charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To: the Shareholders of
Brigade Resource Corp.

We have audited the accompanying consolidated financial statements of Brigade Resource Corp., which comprise the consolidated statements of financial position as at March 31, 2016 and for the period from incorporation on October 9, 2014 to March 31, 2015 and the consolidated statements of operations and comprehensive loss, consolidated statements of changes in equity and consolidated statements of 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 consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 company'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 consolidated financial statements.

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

Opinion
In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Brigade Resource Corp. as at March 31, 2016 and for the period from incorporation on October 9, 2014 to March 31, 2015, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates that Brigade Resource Corp. has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about Brigade Resource Corp.'s ability to continue as a going concern.

Charlton & Company

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
July 29, 2016

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

As at		March 31, 2016		March 31, 2015
ASSETS				
Current				
Cash	$	14,742	$	10
Prepaid and deposits (Note 5)		101,922		-
Total current assets		116,664		10
Exploration and evaluation assets (Note 6)		70,000		-
Total assets	$	186,664	$	10
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	87,745	$	4,625
Notes payable (Note 7)		49,500		-
Total liabilities		137,245		4,625
Shareholders' equity				
Share capital (Note 8)		4,332,000		10
Reserves		2,036,405		-
Deficit		(6,318,986)		(4,625)
Total shareholders' equity		49,419		(4,615)
Total liabilities and equity	$	186,664	$	10

Nature of operations and going concern (Note 1)
Commitments (Note 14)
Events after the reporting period (Note 15)

APPROVED BY THE DIRECTORS:

Signed: ***"Glenn Little"*** Director

Signed: ***"Jon Sherron"*** Director

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

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

		For the year ended March 31, 2016		From incorporation on October 9, 2014 to March 31, 2015
OPERATING EXPENSES				
Exploration and evaluation expenditures	$	7,353	$	-
Management fees (Note 9)		145,050		-
Office and administrative		17,092		-
Professional fees		70,604		4,625
Filling fees		10,435		-
Rent		9,149		-
Travel expense		1,746		-
Share-based payments (Note 8)		281,805		-
Foreign exchange		942		-
Total operating expenses		(544,176)		(4,625)
Write down of exploration and evaluation assets		(30,000)		-
Merger expense		(5,740,185)		-
Loss and comprehensive loss for the year	$	(6,314,361)	$	(4,625)
Basic and diluted loss per common share	$	(1.40)	$	(2.31)
Weighted average number of common shares outstanding		4,509,863		2,000

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

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

	For the year ended March 31, 2016	From incorporation on October 9, 2014 to March 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	(6,314,361)	$ (4,625)
Non-cash items:		
Merger expense	5,740,185	-
Share-based payments	281,805	-
Write down of exploration and evaluation assets	30,000	
Changes in non-cash working capital items:		
Prepaid and deposits	(101,922)	-
Accounts payable and accrued liabilities	35,370	4,625
Cash used in operating activities	(328,923)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from private placements	-	10
Cash from acquisition of Brigadier	334,155	-
Exploration and evaluation assets	(40,000)	-
Cash provided by investing activities	294,155	10
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans received	49,500	-
Cash provided by financing activities	49,500	-
Change in cash during the year	14,732	10
Cash, beginning of year	10	-
Cash, end of year	14,742	$ 10

There were no significant non-cash transactions for year ended March 31, 2016.

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

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

	Share capital				
	Number	**Amount**	**Reserves**	**Deficit**	**Total**
Balance, October 9, 2014 (incorporation)	2	$ 1	$ -	$ -	$ 1
Private placements	2,000	10	-	-	10
Return of capital	(2)	(1)	-	-	(1)
Loss for the period	-	-	-	(4,625)	(4,625)
Balance, March 31, 2015	2,000	10	-	(4,625)	(4,615)
Shares issued for acquisitions (Note 4)	6,132,000	6,132,000	-	-	6,132,000
Return of capital	(2,000)	(10)	-	-	(10)
Purchase and cancellation of shares (Note 8)	(1,400,000)	(1,400,000)	1,365,000	-	(35,000)
Return of capital (Note 6)	(400,000)	(400,000)	389,600	-	(10,400)
Stock options issued (Note 8)	-	-	281,805	-	281,805
Loss for the year	-	-	-	(6,314,361)	(6,314,361)
Balance, March 31, 2016	4,332,000	$ 4,332,000	$ 2,036,405	$ (6,318,986)	$ 49,419

The accompanying notes are an integral part of these consolidated 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 has not generated revenues from operations. These consolidated 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 March 31, 2016, the Company had a working capital deficit of $20,581 (2015 deficit: $4,615). The Company has incurred negative cash flows from operations, recorded a loss of $6,314,361 for the year ended March 31, 2016, and has a deficit of $6,318,986 as at March 31, 2016 (2015 deficit: $4,625). These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company's future capital requirements will depend on many factors, including the costs of exploring its mineral properties, operating costs, competitive environment and global market conditions. The Company's anticipated operating losses and increasing working capital requirements require that it obtain additional capital to continue operations.

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 consolidated 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 consolidated 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").

These financial statements were approved for issue by the Board of Directors on July 29, 2016.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS 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 revenues and expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation and judgment uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

Critical accounting estimates

i. Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected share price volatility. Because the Company's warrants have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

2. BASIS OF PREPARATION *(cont'd…)*

Use of estimates and judgments *(cont'd…)*

ii. The valuation of shares issued in non-cash transactions are generally based on the value of goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

Critical accounting judgments

i. 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.

ii. 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 consolidated financial statements.

iii. The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company and its subsidiary.

On June 21, 2016, the Board of Directors authorized a 5-for-1 share consolidation. The number of issued and outstanding shares, options, warrants and per share amounts has been retrospectively restated for all periods presented unless otherwise stated.

Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company. 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 financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

The consolidated financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

	Country of incorporation	**2016 and 2015 Percentage owned**
Brigadier Exploration Corp.	Canada	100%
Hussar Exploration Corp.	Canada	100%
Battalion Capital Corp.	Canada	100%

The operating results of subsidiaries acquired during the year are included in the statement of loss and comprehensive loss from the effective date of acquisition. Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated on consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Loss per share

The Company presents basic loss per share 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 during the period. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. The number of shares included with respect to options, warrants, and similar instruments is computed using the treasury stock method. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations and comprehensive loss.

Available for sale – These assets are non-derivative financial assets designated on initial recognition. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of equity. Cumulative gains or losses recognized in equity are recognized in the statement of operations and comprehensive loss when the asset is derecognized.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of operations and comprehensive loss.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations and comprehensive loss.

Other financial liabilities: This category includes promissory notes, amounts due to related parties and accounts payables and accrued liabilities, all of which are recognized at amortized cost.

The Company has classified its cash as fair value through profit and loss. The Company's receivables and advances to related parties are classified as loans and receivables. The Company's marketable securities are classified as available-for-sale. The Company's accounts payable and accrued liabilities are classified as other financial liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs related to the acquisition and exploration of mineral properties are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the mineral property. If payments received exceed the capitalized cost of the mineral property, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Income taxes *(cont'd…)*

deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operations and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in International Accounting Standards ("IAS") 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of loss and comprehensive loss.

New standards, interpretations and amendments adopted

The Company has not early adopted the following revised standards and is currently assessing the impact that these standards will have on its future financial statements.

Other 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.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not adopted yet by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, tentatively effective for annual periods beginning on or after January 1, 2018.
- IAS 27: Amended to restore option to use equity method to account for investments in subsidiaries, joint ventures and associates for annual period beginning on or after January 1, 2016.
- IFRS 15: In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which covers principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The standard must be applied retrospectively with certain disclosure exemptions, with earlier application permitted. The effective date for IFRS 15 is for annual periods beginning on or after January 1, 2018.
- Partial replacement of IAS 39 Financial Instruments: Recognition and Measurement. This standard is effective for annual periods beginning on or after January 1, 2018. The Company is currently evaluating the impact of this standard.

(Expressed in Canadian Dollars)

4. 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 6,132,000 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
Common shares issued – fair value (Note 8)	$	6,132,000

5. 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 March 31, 2016. The Company has until October 20, 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.

6. EXPLORATION AND EVALUATION ASSETS

Paterson 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 460,000 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 340,000 common shares with a value of $34,000 upon the execution of the option agreement. On March 14, 2016, Voltaire returned the 400,000 common shares to the Company with 60,000 common shares as settlement for the cash of $12,500 paid. The Company cancelled and returned the common shares to treasury.

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

Brooks Lake Property

On April 15, 2015 and amended June 15, 2016, 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 second anniversary of the agreement;
- $10,000 and 100,000 common shares on the third anniversary of the agreement;
- $10,000 and 100,000 common shares on the fourth anniversary of the agreement; and
- $10,000 and 100,000 common shares on the fifth 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 25, 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 for a total consideration of $50,000 and by the issuance of 500,000 common shares payable in five installment payments.

As of March 31, 2015, Brigadier Exploration Corporation had paid $10,000 and issued 100,000 common shares with a value of $20,000 upon the execution of the option agreement.

During the year ended March 31, 2016, the Company impaired mineral property by $30,000, which is included as a write down of exploration and evaluation properties assets on the consolidated statements of operations and comprehensive loss.

Surprise Lake Property

On April 15, 2015 and amended June 15, 2016, 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 second anniversary of the agreement;
- $10,000 and 100,000 common shares on the third anniversary of the agreement;
- $10,000 and 100,000 common shares on the fourth anniversary of the agreement; and
- $10,000 and 100,000 common shares on the fifth anniversary of the agreement.

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

Surprise Lake Property *(cont'd…)*

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.

7. NOTES PAYABLE

On March 29, 2016, the Company entered into three promissory note agreements for a total aggregate of $49,500. The loans bear simple interest at 12% per annum. Interest and principal are payable on March 29, 2018.

8. SHARE CAPITAL AND RESERVES

a) Authorized share capital

Unlimited number of common and preferred shares without par value.

b) Issued share capital

During the year ended March 31, 2016, the Company:

- On July 6, 2015, the Company Issued 6,132,000 common shares at a value of $1.00 per common shares for the acquisition of Brigadier (Note 4);
- On July 6, 2015, the Company cancelled and returned 2,000 common shares at a value of $0.005 per common share to the treasury.
- On March 29, 2016, the Company cancelled and returned 400,000 common shares at a value of $1.00 per common share to the treasury (Note 6)
- On March 29, 2016, the Company purchased 1,400,000 common shares at a value of $1.00 from the former CEO of the Company for a price of $0.025 per common share. The common shares were cancelled and returned to treasury.

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

- The Company completed a non-brokered private placement with Voltaire Service Corp. by issuing 2,000 common shares at a price of $0.005 per common share for total proceeds of $10.

(Expressed in Canadian Dollars)

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

c) Stock options

	Number	Weighted Average Exercise Price
Outstanding, March 31, 2015	-	$ -
Granted	380,000	1.00
Expired/cancelled	(120,000)	1.00
Outstanding and exercisable, March 31, 2016	260,000	$ 1.00

The following incentive stock options were outstanding at March 31, 2016:

Number Of shares	Exercise Price	Weighted Average remaining contractual life (years)	Expiry Date
160,000	$1.00	4.14	May 31, 2020
100,000	$1.00	4.58	October 28, 2020
260,000			

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 year ended March 31, 2016, the Company granted 380,000 stock options. The fair value per option calculated using the Black-Scholes option-pricing model was $0.74 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 year:

	March 31, 2016
Risk-free interest rate	0.88% - 1.05%
Expected life of options	5 years
Expected annualized volatility	100%
Dividend yield	0.0%

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

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

During the year ended March 31, 2016, the Company entered into transactions with related parties comprised of directors, officers and companies with common directors as follows:

Related party	Nature of transaction
Brandenburg Financial Corp. ("BFC")	Management fees for services provided by the former CEO and new CEO.
Red Fern Consulting Ltd. ("RFC")	Management fees for services provided by the CFO and supporting staff.

Due to related parties at March 31, 2016 is $60,901 (2015: $nil) owing to directors of the Company or companies controlled by related parties.

a) For the year ended March 31, 2016, the Company paid or accrued $80,000 (2015: $nil) to BFC, a company controlled by the former CEO, for management fees.

b) For the year ended March 31, 2016, the Company paid or accrued $30,000 (2015: $nil) to the CEO and Director of the Company for marketing consulting fees.

c) For the year ended March 31, 2016, the Company paid or accrued $14,550 (2015: $nil) to RFC, a company controlled by the CFO, for management fees.

d) For the year ended March 31, 2016, the Company paid or accrued $17,500 (2015 - $Nil)) to the Corporate Secretary of the Company for management fees.

e) For the year ended March 31, 2016, the Company paid or accrued $3,000 (2015: $nil) to a director of the Company for consulting fees.

The Company has identified certain directors and certain senior officers as its key management personnel. The compensation costs for key management personal for the years ended March 31, 216 and 2015 are as follows:

	March 31 2016	March 31 2015
Share-based compensation	$ 222,749	$ nil

10. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2016	2015
Loss for the year	$	(6,314,361)	(4,625)
Computed income taxes (recovery) at statutory rate of 26% (2015 – 26%)	$	(1,641,734)	(1,203)
Net adjustments for deductible and non-deductible items		1,573,565	-
Addition of non-capital losses from subsidiaries		(51,531)	-
Other adjustments		(2,600)	-
Increase in unrecognized deferred income tax assets		122,300	1,203
	$	-	-

(Expressed in Canadian Dollars)

10. INCOME TAXES *(cont'd…)*

The significant components of the Company's deferred income tax assets are as follows:

		2016	2015
Deferred income tax assets:			
Resource pool	**$**	2,600	-
Non-capital losses carried forward		120,903	1,203
Total unrecognized deferred income tax assets	**$**	123,503	1,203

At March 31, 2016, the Company has non-capital losses of $465,010 (2015: $202,820) available for carry forward. At March 31, 2016, management considers that it is not "more likely than not" that these losses will be utilized and accordingly no deferred income tax asset has been recognized.

The non-capital losses expire as follows:

	Total
2035	$ 202,820
2036	262,190
Totals	$ 465,010

11. SEGMENTED INFORMATION

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

12. 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 March 31, 2016, the Company had a cash balance of $14,742 (2015: $10) to settle current liabilities of $137,245 (2015 $4,625).

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.

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

Financial risk factors *(cont'd…)*

Liquidity risk (cont'd…)

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 maximum credit risk is $14,742 (2015: $10) consisting of the balance of cash and cash equivalent. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

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 March 31, 2016, 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.

13. 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.

14. COMMITMENTS

On February 1, 2016, the Company entered into a lease agreement with Brian Boyle for a monthly rent of $4,500. The term of the lease is 12 months.

15. EVENTS AFTER THE REPORTING PERIOD

On May 2, 2016 the Company signed a promissory note agreement for the principal amount of $5,000. The loan bears interest at 12% per annum. Interest and principal are payable on May 2, 2018.