GREEN 2 BLUE ENERGY CORP.
(formerly BRIGADE RESOURCE CORP.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR YEAR ENDED MARCH 31, 2017

(Expressed in Canadian Dollars)

SATURNA GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP
1066 West Hastings Street, Suite 1250
Vancouver, BC Canada V6E 3X1

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Green 2 Blue Energy Corp. (formerly Brigade Resource Corp.)

We have audited the accompanying consolidated financial statements of Green 2 Blue Energy Corp. (formerly Brigade Resource Corp.) (the "Company"), which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and comprehensive loss, changes in equity, and cash flows for the year then ended, 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 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 audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained in our audit 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 the Company as at March 31, 2017, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 of the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability the Company to continue as a going concern.

Other Matter
The consolidated financial statements of the Company for the year ended March 31, 2016 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on July 29, 2016.

Saturna Group LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

July 31, 2017

GREEN 2 BLUE ENERGY CORP.
(formerly BRIGADE RESOURCE CORP.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

As at		March 31, 2017		March 31, 2016
ASSETS				
Current				
Cash	$	14,118	$	14,742
Amounts receivable		9,484		-
Prepaid expense and deposits		-		101,922
Loan receivable (Note 4)		136,500		-
Total current assets		160,102		116,664
Exploration and evaluation assets (Note 5)		-		70,000
Total assets	$	160,102	$	186,664
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	79,509	$	87,745
Notes payable (Note 6)		-		49,500
Total liabilities		79,509		137,245
Shareholders' equity				
Share capital (Note 7)		4,546,202		4,332,000
Reserves		2,036,405		2,036,405
Share subscriptions received (Note 7)		206,620		-
Deficit		(6,708,634)		(6,318,986)
Total shareholders' equity		80,593		49,419
Total liabilities and shareholders' equity	$	160,102	$	186,664

Nature of operations and going concern (Note 1)
Subsequent events (Note 13)

APPROVED AND AUTHORIZED FOR ISSUANCE ON BEHALF OF THE BOARD OF DIRECTORS ON JULY 31, 2017:

Signed: ***"Glen Little"***
Glen Little, Director

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

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

GREEN 2 BLUE ENERGY CORP.
(formerly BRIGADE RESOURCE CORP.)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

For the years ended		March 31, 2017		March 31, 2016
OPERATING EXPENSES				
Exploration and evaluation expenditures	$	-	$	7,353
Filling fees		4,969		10,435
Foreign exchange loss		-		942
Impairment of prepaid deposit		97,372		-
Management fees (Note 8)		103,000		145,050
Office and administrative (Note 8)		32,444		18,838
Professional fees		34,560		70,604
Rent		43,143		9,149
Share-based payments (Note 7)		-		281,805
Write-down of exploration and evaluation assets (Note 5)		70,000		30,000
Total operating expenses		385,488		574,176
Net loss before other expense		(385,488)		(574,176)
Other expenses				
Interest expense		(4,160)		-
Merger expense (Note 3)		-		(5,740,185)
Total other expenses		(4,160)		(5,740,185)
Loss and comprehensive loss for the year	$	(389,648)	$	(6,314,361)
Basic and diluted loss per common share	$	(0.08)	$	(1.39)
Weighted average number of common shares outstanding		4,975,923		4,509,863

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

GREEN 2 BLUE ENERGY CORP.
(formerly BRIGADE RESOURCE CORP.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Share capital				Share Subscriptions				
	Number		Amount		Reserves		Received		Deficit		Total

	Share capital Number		Share capital Amount		Reserves		Share Subscriptions Received		Deficit		Total
Balance, March 31, 2015	2,000	$	10	$	-	$	-	$	(4,625)	$	(4,615)
Shares issued for acquisitions	6,132,000		6,132,000		-		-		-		6,132,000
Return of capital	(2,000)		(10)		-		-		-		(10)
Purchase and cancellation of shares	(1,400,000)		(1,400,000)		1,365,000		-		-		(35,000)
Return of capital	(400,000)		(400,000)		389,600		-		-		(10,400)
Fair value of stock options issued	-		-		281,805		-		-		281,805
Net 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
Shares issued for cash	1,296,000		129,600		-		-		-		129,600
Shares issued for settlement of debt and interest	846,000		84,602		-		-		-		84,602
Shares issued for finders' fees	96,400		-		-		-		-		-
Share subscriptions received	-		-		-		206,620		-		206,620
Net loss for the year	-		-		-		-		(389,648)		(389,648)
Balance, March 31, 2017	6,570,400	$	4,546,202	$	2,036,405	$	206,620	$	(6,708,634)	$	80,593

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

GREEN 2 BLUE ENERGY CORP.
(formerly BRIGADE RESOURCE CORP.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

		For the year ended March 31, 2017		For the year ended March 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the year	$	(389,648)	$	(6,314,361)
Items not involving cash:				
Impairment of prepaid deposit		97,372		-
Merger expense		-		5,740,185
Share-based payments		-		281,805
Write-down of exploration and evaluation asset		70,000		30,000
Changes in non-cash working capital items:				
Accounts receivable		(9,484)		-
Prepaid expense and deposits		4,550		(101,922)
Accounts payable and accrued liabilities		(3,134)		35,370
Net cash used in operating activities		(230,344)		(328,923)
CASH FLOWS FROM INVESTING ACTIVITIES				
Loan to Green 2 Blue Energy Corp.		(136,500)		-
Cash from acquisition of Brigadier		-		334,155
Exploration and evaluation asset expenditures		-		(40,000)
Net cash provided by (used in) investing activities		(136,500)		294,155
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of common shares		129,600		-
Share subscriptions received		206,620		-
Proceeds from notes payable		30,000		49,500
Net cash provided by financing activities		366,220		49,500
Change in cash during the year		(624)		14,732
Cash, beginning of year		14,742		10
Cash, end of year	$	14,118	$	14,742
Non-cash investing and financing activities:				
Common shares issued to settle notes payable and accrued interest	$	84,602	$	-
Supplemental disclosures:				
Interest paid	$	-	$	-
Income taxes paid	$	-	$	-

(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 1518-800 West Pender Street, Vancouver, BC, V6C 2V6. The Company's records office is 1820-925 West 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, 2017, the Company had a working capital of $80,593. The Company has incurred negative cash flows from operations, recorded a loss of $389,648 for the year ended March 31, 2017, and has a deficit of $6,708,634 as at March 31, 2017. 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. 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. 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. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance and Basis of Presentation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and by the International Financial Reporting Interpretations Committee.

These consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is the Company's functional currency. 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.

These consolidated financial statements include the accounts of the Company and its wholly-owned Canadian subsidiaries, Brigadier Exploration Corp. ("Brigadier"), Hussar Exploration Corp., and Battalion Capital Corp. All inter-company transactions have been eliminated.

Use of estimates and judgments

The preparation of these consolidated 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. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates and judgments (continued)

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 includes the assessment of whether the going concern assumption is appropriate, which requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company`s ability to continue as a going concern.

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. At March 31, 2017, the Company had 2,498,400 (2016 – 260,000) potentially dilutive shares outstanding.

Financial instruments

<u>Financial assets</u>

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 consolidated statement of financial position at fair value with changes in fair value recognized in the consolidated statement of operations.

Available for sale – These assets are non-derivative financial assets designated on initial recognition. They are carried in the consolidated statement of financial position at fair value with changes in fair value recognized in other comprehensive income and presented within equity in the fair value reserve. Cumulative gains or losses recognized in equity are recognized in the consolidated statement of operations 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

All financial assets, except for those classified as 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.

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 amounts receivables and loan receivable are classified as loans and receivables. The Company's accounts payable and accrued liabilities and loans payable are classified as other financial liabilities.

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 is 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment (continued)

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 the consolidated statement of operations.

Reclamation and Remediation Provisions

The Company recognizes a provision for statutory, contractual, constructive, or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant, and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability including risks specific to the countries in which the related operation is located.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in exploration and evaluation assets. These costs are depleted using either the unit of production or straight-line method depending on the asset to which the obligation relates.

The obligation is increased for the accretion and the corresponding amount is recognized as a finance expense. The obligation is also adjusted for changes in the estimated timing, amount of expected future cash flows, and changes in the discount rate. Such changes in estimates are added to or deducted from the related asset except where deductions are greater than the carrying value of the related asset in which case, the amount of the excess is recognized in the statement of operations.

Due to uncertainties concerning environmental remediation, the ultimate cost to the Company of future site restoration could differ from the amounts provided. The estimate of the total provision for future site closure and reclamation costs is subject to change based on amendments to laws and regulations, changes in technology, price increases, changes in interest rates, and as new information concerning the Company's closure and reclamation obligations becomes available.

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the consolidated statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign exchange translation

The functional and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the consolidated statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the consolidated statement of operations.

Comprehensive Loss

Comprehensive loss is the total non-owner change in equity for a reporting period. This change encompasses all changes in equity other than transactions from shareholders. For the years ended March 31, 2017 and 2016, the Company did not have any items impacting comprehensive loss.

Reclassification

Certain financial statement captions and amounts have been reclassified from the prior year to conform with the current year presentation standards.

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 yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9, Financial Instruments (New).
- IFRS 2, Share-based Payments (Amended).

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. 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

4. LOAN RECEIVABLE

During the year ended March 31, 2017, the Company loaned $136,500 (2016 - $nil) to Green 2 Blue Energy Corp. ("G2BE"), a company of which the Company is planning to acquire through a share exchange agreement. The loan receivable is unsecured, bears interest at 5% per annum, and due on November 17, 2017.

5. 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 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.

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. 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. The capitalized costs of $30,000 were impaired during the year ended March 31, 2017, as the Company does not intend to carry forward with the project.

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. The capitalized costs of $30,000 were impaired during the year ended March 31, 2016, as the Company does not intend to carry forward with the project.

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. The capitalized costs of $30,000 were impaired during the year ended March 31, 2017, as the Company does not intend to carry forward with the project.

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. The capitalized costs of $10,000 were impaired during the year ended March 31, 2017, as the Company does not intend to carry forward with the project.

6. NOTES PAYABLE

On March 29, 2016, the Company entered into three promissory note agreements for an aggregate of $49,500, which were unsecured, bears interest at 12% per annum, and due on March 29, 2018. During the year ended March 31, 2017, the Company received additional proceeds of $30,000. On December 1, 2016, the Company settled the outstanding principal amounts of $79,500 and accrued interest of $5,102 with the issuance of 846,000 units as part of the private placement. Refer to Note 7(b).

7. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common and preferred shares without par value

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

b) Issued share capital

Year ended March 31, 2017:

- On June 21, 2016, the Board of Directors authorized a 5-for-1 share consolidation. The effects of the share consolidation have been applied retroactively for all periods presented unless otherwise stated.
- On December 16, 2016, the Company closed a non-brokered private placement of 2,238,400 units at $0.10 per unit. Each unit was comprised of one common share of the Company and one share purchase warrant which allows the warrant holder to acquire one additional common share of the Company at $0.10 per share until December 16, 2017 or $0.20 per share until December 16, 2018. The 2,238,400 units issued in the private placement included 1,296,000 units issued for proceeds of $129,600, 846,000 units issued for the settlement of $79,500 of notes payable and accrued interest of $5,102, and 96,400 units issued for finders fees.
- As at March 31, 2017, the Company received share subscription proceeds of $206,620 relating to the non-brokered private placement in conjunction with the RTO transaction as noted in Note 12.

Year ended March 31, 2016:

- On July 6, 2015, the Company Issued 6,132,000 common shares at a value of $1.00 per common share for the acquisition of Brigadier. Refer to Note 3.
- 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.
- 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.

c) Stock options

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.

The following table summarizes the continuity of the Company`s stock options:

	Number of options	Weighted average exercise price
Outstanding, March 31, 2015	-	$ -
Granted	380,000	1.00
Cancelled	(120,000)	1.00
Outstanding, March 31, 2016 and 2017	260,000	$ 1.00

The following incentive stock options were outstanding and exercisable at March 31, 2017:

Number of stock options	Exercise price	Weighted Average remaining contractual life (years)	Expiry date
160,000	$1.00	3.14	May 31, 2020
100,000	$1.00	3.58	October 28, 2020
260,000	$1.00	3.31	

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

d) Stock options (continued)

The fair values for stock options granted have been estimated using the Black-Scholes option pricing model assuming no expected dividends or forfeiture, and the following weighted average assumptions:

	2017	2016
Risk-free interest rate	–	0.88-1.05%
Expected life (in years)	–	5
Expected volatility	–	100%

During the year ended March 31, 2016, the Company granted 380,000 stock options with a fair value per stock option of $0.74 for share-based payment expense of $281,805 which was been recorded in the consolidated statement of operations.

e) Share purchase warrants

The following table summarizes the continuity of share purchase warrants:

	Number of options	Weighted average exercise price
Outstanding, March 31, 2015 and 2016	-	-
Issued	2,238,400	$ 0.10
Outstanding, March 31, 2017	2,238,400	$ 0.10

Share purchase warrants are exercisable at $0.10 per share until December 16, 2017 and at $0.20 per share until December 16, 2018.

8. RELATED PARTY TRANSACTIONS

a) During the year ended March 31, 2017, the Company incurred consulting fees as follows:

Related party	Nature of transaction	2017	2016
Glenn Little	Services provided by the CEO.	$60,000	$30,000
Red Fern Consulting Ltd. ("RFC")	Services provided by the CFO and staff.	$37,000	$14,550
Jon Sherron	Services provided by the director.	$6,000	$3,000

b) During the year ended March 31, 2017, the Company incurred $nil (2016 - $80,000) of management fees to Brandenburg Financial Corp., a company controlled by the former CEO of the Company.

c) During the year ended March 31, 2017, the Company incurred $nil (2016 - $17,500) of management fees to the Corporate Secretary of the Company for management fees.

d) During the year ended March 31, 2017, the Company incurred $8,485 (2016 - $nil) of office and administrative expenses to the CEO of the Company.

e) During the year ended March 31, 2017, the Company incurred $nil (2016 - $222,749) of share-based compensation expenses to officers and directors of the Company.

f) At March 31, 2017, the Company owes $4,950 (2016 - $nil) to a director of the Company and $4,725 (2016 - $nil) to RFC. The amounts owing are unsecured, non-interest bearing, and due on demand.

(Expressed in Canadian Dollars)

9. INCOME TAXES

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

		2017	2016
Loss for the year	$	(389,648)	$(6,314,361)
Computed income taxes (recovery) at statutory rate of 26%	$	(101,308)	$(1,641,734)
Net adjustments for deductible and non-deductible items		48	1,573,565
Addition of non-capital losses from subsidiaries		-	(51,531)
Other adjustments		-	(2,600)
Change in unrecognized deferred income tax assets		101,260	122,300
	$	-	$ -

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

		2017		2016
Deferred income tax assets:				
Resource pool	$	2,600	$	2,600
Non-capital losses carried forward	$	222,163		120,903
Total unrecognized deferred income tax assets	$	224,763	$	123,503

As at March 31, 2017, the Company has non-capital losses of $854,473 (2016: $465,010) available for carry forward. At March 31, 2017, 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
2037	389,463
Totals	$ 854,473

10. SEGMENTED INFORMATION

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

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of other financial instruments including amounts receivable, loan receivable, 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.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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, 2017, the Company had a cash balance of $14,118 to settle current liabilities of $79,509.

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. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and amounts receivable. The Company holds its cash with high credit quality financial institutions. Amounts receivable consists of GST receivable from the Government of Canada and interest receivable from an outstanding loan receivable to the Company. The carrying amount of financial assets represents the maximum credit exposure to the Company.

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. 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, 2017, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

12. 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.

13. SUBSEQUENT EVENTS

Subsequent to March 31, 2017, the Company signed a share exchange agreement with Green 2 Blue Energy Corp. ("G2BE") whereby the Company will acquire all of the issued and outstanding shares of G2BE in exchange for common shares of the Company. Upon closing, G2BE will be a wholly-owned subsidiary of the Company.

The Company intends to issue 47,000,002 to the shareholders of G2BE resulting in G2BE shareholders owning approximately 77% of the Company and would be considered a reverse takeover ("RTO"). On July 21, 2017, the Company finalized the acquisition of G2BE and issued 47,000,002 common shares to the shareholders of G2BE to finalize the RTO, and changed its name from Brigade Resource Corp. to Green 2 Blue Energy Corp.

In conjunction with the RTO, the Company announced a non-brokered private placement whereby up to 7,500,000 units will be issued at a price of $0.10 per unit for gross proceeds up to $750,000. Each unit will consist of one common share and one share purchase warrant exercisable at $0.10 for one year and thereafter at $0.20 per share for an additional one year. As at July 31, 2017, the Company has received $361,120 relating to this non-brokered private placement.