

Four Nines Gold Inc.

Condensed Interim Financial Statements

Unaudited

For the three months ended April 30, 2017

Expressed in Canadian dollars

Four Nines Gold Inc.

**Unaudited Condensed Interim Financial Statements
For the three months ended April 30, 2017**

Notice of No Auditor Review of Interim Condensed Financial Statements

The accompanying unaudited condensed interim financial statements have been prepared by management and approved by the Audit Committee.

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

Four Nines Gold Inc.
Condensed Interim Statements of Financial Position
Unaudited
(Expressed in Canadian dollars)

	Note	April 30, 2017	January 31, 2017
ASSETS			
Current Assets			
Cash		\$ 37,671	\$ 106,112
Prepaid expenses		1,500	1,500
		39,171	107,612
Exploration and evaluation assets	7	87,229	68,091
Deferred Finance fees	13	21,813	-
Total assets		\$ 148,213	\$ 175,703
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		\$ 12,665	\$ 22,140
Loans and advances	6	61,500	61,500
		74,165	83,640
SHAREHOLDERS' EQUITY			
Share capital		126,725	126,725
Deficit		(52,677)	(34,662)
		74,048	92,063
Total liabilities and shareholders' equity		\$ 148,213	\$ 175,703

"Jim Mustard"
 Director

"Casey Forward"
 Director

Four Nines Gold Inc.
Condensed Interim Statements of Comprehensive Loss
Unaudited
(Expressed in Canadian dollars)

	Note	For the three months ended April 30, 2017	For the three months ended April 30, 2016
Expenses			
Bank charges and interest		\$ 88	\$ 12
Filing fees		6,927	-
Professional fees		11,000	-
		(18,015)	(12)
Loss and comprehensive loss		\$ (18,015)	\$ (12)
Loss per share, basic and diluted		\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding		4,854,500	2,638,000

Four Nines Gold Inc.
Condensed Interim Statements of Cash Flows
Unaudited
(Expressed in Canadian dollars)

	Note	For the three months ended April 30, 2017	For the three months ended April 30, 2016
Cash Flows from Operating Activities			
Loss for the period		\$ (18,015)	\$ (12)
Items not affecting cash:			
		(18,015)	(12)
Changes in non-cash working capital:			
Accounts payable and accrued liabilities		(9,475)	-
Net cash provided by (used in) operating activities		(27,490)	(12)
Cash Flows from Financing Activities			
Deferred finance fees		(21,813)	-
Net cash provided by financing activities		(21,813)	-
Cash Flows from Investing Activities			
Deferred exploration and evaluation costs		(19,138)	-
Net cash used in investing activities		(19,138)	-
Change in cash and cash equivalents		(68,441)	(12)
Cash and cash equivalents at beginning of period		106,112	16,610
Cash and cash equivalents at end of period		\$ 37,671	\$ 16,598
Cash and cash equivalents consist of:			
Cash		\$ 37,671	\$ 16,598
		\$ 37,671	\$ 16,598
Interest paid		\$ -	\$ -
Income taxes paid		\$ -	\$ -

Four Nines Gold Inc.
Condensed Interim Statements of Changes in Shareholders' Equity
Unaudited
(Expressed in Canadian dollars)

	Note	Share Capital		Share Subscriptions payable	Deficit	Total
		Shares	Amount			
Balance, January 31, 2016		2,638,000	\$ 15,900	\$ -	\$ (115)	\$ 16,610
Loss for the period		-	-	-	(12)	(12)
Balance, April 30, 2016		2,638,000	\$ 15,900	\$ -	\$ (127)	\$ 16,598
Balance, January 31, 2017		4,854,500	\$ 126,725	\$ -	\$ (34,662)	92,063
Loss for the period		-	-	-	(18,015)	(18,015)
Balance, April 30, 2017		4,854,500	\$ 126,725	\$ -	\$ (52,677)	\$ 74,048

The accompanying notes form an integral part of these financial statements

Four Nines Gold Inc.
Notes to the Condensed Interim Financial Statement
For the three months ended April 30, 2017
(Expressed in Canadian dollars) (Unaudited)

1. CORPORATE INFORMATION

The Company was incorporated on March 19, 2015 in British Columbia. The head office, principal address and records office of the Company are located at 605 - 815 Hornby Street, Vancouver, British Columbia, Canada, V6Z 2E6. The Company's registered address is at the same address.

The Company is planning to list on the Canadian Securities Exchange ("Exchange") by completing an initial public offering ("IPO"). The Company has signed an engagement letter with PI Financial Corp. ("Agent") for a public offering of shares and warrants ("Units"). Each Unit will be offered by way of initial public offering pursuant to prospectus requirements to residents of the provinces of British Columbia, Alberta and such other jurisdictions as may be agreed to by the Company and the Agent at a price of \$0.10 per Unit (the "Offering Price"). The Company will promptly file with the Exchange for the listing of its Units including required filings for the approval of the Offering. The total gross proceeds of the Offering will be a minimum of \$600,000 to a maximum of \$750,000. Closing of the Offering is expected to occur on or about July 31, 2017 or such other date as PI and the Company may agree in writing (the "Closing Date").

The Company is in the process of acquiring and exploring its resource properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable

2. BASIS OF PREPARATION

(a) Statement of Compliance

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

These financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on June 28, 2017.

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All dollar amounts presented are in Canadian dollars, which is the functionally currency of the Company, unless otherwise specified. All amounts are rounded to the nearest dollar.

(c) Going Concern of Operations

The Company incurred a loss of \$18,015 for the three months ended April 30, 2017 (January 31, 2017 - \$34,547), and has an accumulated deficit of \$52,677 (\$34,662) and working capital deficiency of \$34,994 at (January 31, 2017 – working capital of \$22,472). These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation assets when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. These financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This condensed interim financial information for the three months ended April 30, 2017 have been prepared in accordance with IAS 34 “Interim financial reporting”. The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended January 31, 2017, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

Exploration and Evaluation Expenditure and Impairment

The application of the Company’s accounting policy for exploration and evaluation expenditures and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company’s title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company’s current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the

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tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Key sources of estimation uncertainty:

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in material adjustments to the financial statements.

Rehabilitation Provisions

Rehabilitation provisions have been created based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from year to year. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for.

5. SEGMENTED INFORMATION

The Company operates in one segment – the acquisition, exploration and development of resource properties. As at April 30, 2017 and January 31, 2017, all of the Company's operations and assets were held in Canada.

6. LOANS AND ADVANCES

The Company has loans payable at April 30, 2017 of \$61,500. During the year ended January 31, 2017, the Company received a total of \$61,500 from two arms-length individuals. The loans are both unsecured, non-interest bearing and repayable on demand.

7. EXPLORATION AND EVALUATION ASSETS

Mariposa

On September 12, 2016, the Company entered into an option agreement to purchase an aggregate of 70% interest in the Mariposa Property comprised of 1311 mineral claims in the White Gold region located in the Dawson Mining District, Yukon.

The terms of the agreement are as follows:

First option to earn 51%:

Pay the optionor an aggregate of \$200,000 as follows:

- (1) the payment of \$10,000 (paid) on signing;
- (2) the payment of \$10,000 (paid subsequent to the year-end) on or before December 31, 2016;
- (3) the payment of \$20,000 on or before December 31, 2017;
- (4) the payment of \$30,000 on or before December 31, 2018;
- (5) the payment of \$50,000 on or before December 31, 2019; and
- (6) the payment of \$80,000 on or before December 31, 2020;

Incur expenditures in the aggregate amount of not less than \$2,450,000 as follows

- (1) in the amount of \$50,000 (completed) on or before December 31, 2016;
- (2) in the amount of \$250,000 on or before December 31, 2017;
- (3) in the amount of \$400,000 on or before December 31, 2018;
- (4) in the amount of \$750,000 on or before December 31, 2019; and
- (5) in the amount of \$1,000,000 on or before December 31, 2020;

Issue an aggregate of 1,000,000 common shares and 150,000 warrants as follows:

- (1) 100,000 common shares and 100,000 warrants within 5 business days of listing of the Company's stock on the CSE at prices as set out in the IPO;

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- (2) 100,000 common shares and 50,000 warrants on or before December 31, 2017 at prices as set out in the IPO;
- (3) 250,000 common shares on or before December 31, 2018;
- (4) 250,000 common shares on or before December 31, 2019; and
- (5) 300,000 common shares on or before December 31, 2020.

Second option to earn an additional 19%:

Pay the optionor an aggregate of \$200,000 as follows:

- (1) the payment of \$100,000 on or before December 31, 2021; and
- (2) the payment of \$200,000 on or before December 31, 2022;

Incur expenditures in the aggregate amount of not less than \$2,500,000 as follows

- (1) in the amount of \$1,250,000 on or before December 31, 2021; and
- (2) in the amount of \$1,250,000 on or before December 31, 2022;

Issue an aggregate of 500,000 common shares as follows:

- (1) 250,000 common shares on or before December 31, 2021; and
- (2) 250,000 common shares on or before December 31, 2022.

The Vendor will retain a 2% gross royalty of which 1% of the royalty can be purchased for \$1,000,000.

	For the three months ended April 30, 2017	For the year ended January 31, 2017	Total
Acquisition costs	\$ -	\$ 20,000	\$ 20,000
Exploration costs	12,378	48,091	60,469
Assessment costs	6,760	-	6,760
Expenditures on mineral properties	\$19,138	\$68,091	\$87,229

8. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares with no par value.

(b) Issued

For the year ended January 31, 2017:

- a) In May and November 2016, the Company issued 2,216,500 shares at \$0.05 per share. For the period from the date of incorporation of March 19, 2015 to January 31, 2016:
 - a) In March and April 2015, the Company issued 2,800,000 shares at \$0.005 per share
 - b) In April 2015, the Company repurchased and returned to treasury, 200,000 shares at \$Nil per share.
 - c) In June to December 2015, the Company issued 38,000 shares at \$0.05 per share.

9. RELATED PARTY TRANSACTIONS

As at April 30, 2017, accounts payable and accrued liabilities include an amount of \$1,500 (2016: \$nil) due to a director of the Company.

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10. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the year.

11. FINANCIAL INSTRUMENTS AND RISKS

The company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in Note 10.

The Company monitors its ability to meet its short-term administrative expenditures by matching investment income received to expenditures to be incurred, and by disposing of its investments when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

As at April 30, 2017, the Company had a cash balance of \$37,671 to settle current liabilities of \$74,165. The Company will require financing from lenders, shareholders or other investors to generate sufficient capital to meet its short-term business requirements.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading and available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, available-for-sale, loans and receivables and other financial liabilities.

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12. FINANCIAL INSTRUMENTS AND RISKS (continued)

The Company is not exposed to significant interest rate risk as the Company's has no interest bearing debt. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Interest rate risk

The Company is not exposed to significant interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign currency rate fluctuations.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Credit Risk

Financial instruments that potentially expose the Company to credit risk are cash and cash equivalents. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Fair Values

The Company's financial instruments include cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of secondary market and the significant cost of obtaining external appraisals. The fair value of these financial instruments approximates their carrying value under the effective interest method.

Fair Value Hierarchy

The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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12. FINANCIAL INSTRUMENTS AND RISKS (continued)

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as follows:

At April 30, 2017	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 37,671	\$ -	\$ -	\$ 37,671
At January 31, 2017	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 106,112	\$ -	\$ -	\$ 106,112

13. SUBSEQUENT EVENTS

On January 29, 2017, the Company entered into an engagement letter with PI Financial Corp. (the "Agent") to act as the exclusive agent on a commercially reasonable efforts basis, with respect to a proposed initial public offering (the "Offering") by the Company of a minimum 6,000,000 units to a maximum of 7,500,000 units, each unit comprising of one common share and one-half common share purchase warrant of the Company.

The Company agreed to pay a commission of 7% of the gross proceeds from the Offering to the Agent upon closing of the Offering. In addition, the Agent will receive a corporate finance fee of \$23,625 (including GST) and \$10,000 as a retainer for the Agent's anticipated expenses incurred in connection with the Offering. The Company has paid one half of the corporate finance fee and the \$10,000 retainer as at April 30, 2017.