Shoshoni Gold Ltd.

Condensed Interim Financial Statements
(Unaudited – prepared by management)

For the six months ended
August 31, 2016

(Expressed in Canadian dollars)

NOTICE TO READER

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company’s management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Stands for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

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

Shoshoni Gold Ltd.

Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited – prepared by management)

As at		August 31, 2016		February 29, 2016
Assets				
Current				
Cash	$	22,760	$	5
GST recoverable		7,826		6,341
		30,586		6,346
Exploration and evaluation assets (note 6)		2,271,720		2,271,720
Reclamation bond (note 7)		16,825		16,825
	$	2,319,131	$	2,294,891
Liabilities and Shareholders' Equity				
Current				
Accounts payable and accrued liabilities (note 10)	$	165,092	$	324,221
Subscriptions received in advance		3,000		23,000
Asset retirement obligation (note 8)		16,825		16,825
Advances from Directors (note 10)		38,082		37,812
Loans payable (note 11)		45,790		43,014
		268,789		443,349
Shareholders' Equity				
Share capital (note 9)		16,931,858		16,653,435
Contributed surplus		2,392,783		2,388,506
Deficit		(17,274,299)		(17,190,399)
		2,050,342		1,851,542
	$	2,319,131	$	2,294,891

Nature of Operations and Going Concern (note 1)
Commitment (note 8)

Approved on Behalf of the Board of Directors:

____________________ Director   ____________________ Director

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

Shoshoni Gold Ltd.

Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited – prepared by management)

	Three month ended August 31, 2016	Three months ended August 31, 2015	Six months ended August 31, 2016	Six months ended August 31, 2015
Expenses				
Amortization	$ -	$ 65	$ -	$ 130
Consulting	36,000	-	51,000	6,943
Legal and accounting	7,680	12,220	9,930	16,878
Management fees	-	1,600	-	1,600
Office and miscellaneous	9,221	54	10,820	6,091
Regulatory and transfer agent fees	4,075	3,947	12,150	4,179
Loss Comprehensive loss for the period	$ (56,976)	$ (17,886)	(83,900)	$ (37,159)
Basic and diluted loss per share	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.01)
Weighted average number of shares outstanding	7,303,946	3,206,150	5,266,214	3,206,150

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

Shoshoni Gold Ltd.

Condensed Interim Statements of Changes in Equity
(Expressed in Canadian dollars)
(Unaudited – prepared by management)

	Number of Shares	Capital Stock	Contributed Surplus	Deficit	Total
Balance February 28, 2015	3,206,105	$ 16,653,435	$ 2,388,506	$ (16,967,354)	$ 2,074,587
Loss for the period	-	-	-	(37,159)	(37,159)
Balance August 31, 2015	3,206,105	$ 16,653,435	$ 2,388,506	$ (17,004,513)	$ 2,037,428
Balance February 29, 2016	3,206,105	$ 16,653,435	$ 2,388,506	$ (17,190,399)	$ 1,851,542
Shares issued for cash, net	5,800,000	278,423	4,277	-	282,700
Loss for the period	-	-	-	(83,900)	(83,900)
Balance August 31, 2016	9,006,105	$ 16,931,858	$ 2,392,783	$ (17,274,299)	$ 2,050,342

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

Shoshoni Gold Ltd.

Condensed Interim Statements of Cash Flows
Six Months ended August 31, 2016 and 2015
(Expressed in Canadian dollars)
(Unaudited – prepared by management)

		August 31, 2016		August 31, 2015
Cash provided by (used for)				
Operating activities				
Loss for the period	$	(83,900)	$	(37,159)
Add items not affecting cash:				
Depreciation		-		130
Interest accruals		3,046		-
Changes in non-cash working capital				
GST recoverable		(1,485)		-
Prepaid expenses and advances		-		1,698
Accounts payable and accrued liabilities		(177,606)		35,330
		(259,945)		(1)
Financing activities				
Shares issued for cash, net		282,700		-
		282,700		-
Change in cash		22,755		(1)
Cash, beginning of period		5		(19)
Cash, end of period	$	22,760	$	(20)
Supplemental cash flow information				
Interest paid	$	-	$	-
Income taxes paid	$	-	$	-

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

1. Nature of Operations and Going Concern

Shoshoni Gold Ltd. (the "Company") was incorporated April 23, 1985, under the *Company Act* of British Columbia, and extra-provincially registered in the Northwest Territories. The Company's principal activity is the exploration of resource properties. The Company's corporate office and principal place of business is 701 - 595 Howe Street, Vancouver, British Columbia, Canada. During the period ended August 31, 2016, the Company completed a 10 for 1 share consolidation. All references to number of shares and per share amounts have been retroactively restated to reflect the consolidation during the period.

The condensed interim financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The recoverability of amounts shown as resource properties and deferred exploration costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete their development, and future profitable production or disposition thereof. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. The existence of these matters give rise to material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

Although the Company has taken steps to verify title to resource properties in which it has an interest, in accordance with industry norms for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

2. Basis of Presentation

a) Statement of Compliance and Basis of Presentation

These unaudited condensed interim financial statements have been prepared in accordance with International Accounts Standards 34, *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These financial statements are presented in Canadian dollars, which is the Company's functional currency.

These financial statements were authorized for issue by the Board of Directors on October 31, 2016.

b) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for financial instruments classified as FVTPL which are stated at their fair value.

In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements are presented in Canadian dollars, which is also the Company's functional currency.

2. Basis of Presentation (continued)

c) Use of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Significant areas requiring the use of management estimates include impairment of exploration and evaluation properties; reclamation and environmental obligations; determining the provision for deferred income taxes and contingencies reported in the notes to the financial statements.

Areas of significant judgment include the classification of financial instruments, the classification of exploration and evaluation expenditures and the assessment of going concern, which requires judgment in determining whether it is likely that future economic benefits will flow to the Company.

3. Significant Accounting Policies

The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) <u>Accounting Policies to be Adopted</u>

The following pronouncements and amendments are effective for annual periods beginning on or after January 1, 2016 unless otherwise stated. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

IFRS 9 – Financial Instruments: Classification and Measurement applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is tentatively effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

4. Risk Management and Financial Instruments

Fair value of financial instruments

The fair values of cash, bank indebtedness, accounts payable and accrued liabilities, subscriptions received in advance, loans payable, and advances from Directors approximate their carrying values as the financial assets and liabilities have a short-term to maturity.

Fair Value Hierarchy

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 –quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 –inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – unobservable inputs for the asset or liability.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

February 29, 2016	Level 1	Level 2	Level 3
Assets:			
Cash	$ 5	$ -	$ -

August 31, 2016	Level 1	Level 2	Level 3
Assets:			
Cash	$ 22,760	$ -	$ -

Financial Instrument Risks

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk and currency risk.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk by holding cash. This risk is minimized by holding the investments in large Canadian financial institutions or with Canadian governments. The Company has minimal accounts receivable exposure, and its various refundable credits are due from Canadian governments. The Company's maximum exposure to credit risk is the carrying value of cash.

4. Risk Management and Financial Instruments (continued)

Financial Instrument Risks (continued)

b) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by management of its working capital to ensure its expenditures will not exceed available resources. At August 31, 2016, the Company has a working capital deficiency of $238,203.

c) 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.

i) Interest rate risk

The Company has cash balances. The interest earned on cash approximates fair value rates, and the Company is not at a significant risk to fluctuating interest rates.

ii) Currency risk

Currency risk is the risk that assets and liabilities held in currencies other than the functional currency will fluctuate, resulting in a foreign exchange gain or loss. The Company's operations are currently all within Canada, and accordingly the Company does not have significant currency risk.

iii) 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's ability to raise capital to fund exploration and evaluation activities is subject to risks associated with fluctuations in the market price of gold and copper. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

5. Capital Management

The Company includes equity, comprising of issued common shares and share purchase warrants, contributed surplus and deficit, in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

(Expressed in Canadian dollars)

5. Capital Management (continued)

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will attempt to raise additional funds as needed, while the Company has been successful in the past there is no assurance it will be able to raise funds in this manner in the future. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended February 29, 2016. The Company is not subject to externally imposed capital requirements.

6. Exploration and Evaluation Assets

February 29, 2016					
		Additions			
	Opening	**Cash/ payable**	**Shares**	**Write-down**	**Total**
Acquisition Costs					
Kirkland Creek	$ 449,830	$ 25,000	$ -	$ -	$ 474,830
ZPG Property	32,500	-	-	(32,500)	-
	482,330	25,000	-	(32,500)	474,830
Deferred Exploration					
Kirkland Creek	1,796,890	-	-	-	1,796,890
ZPG Property	11,510	5,040	-	(16,550)	-
	1,808,400	5,040	-	(16,550)	1,796,890
	$ 2,290,730	**$ 30,040**	**$ -**	**$ (49,050)**	**$ 2,271,720**

August 31, 2016					
		Additions			
	Opening	**Cash**	**Shares**	**Write-down**	**Total**
Acquisition Costs					
Kirkland Creek	$ 474,830	$ -	$ -	$ -	$ 474,830
Deferred Exploration					
Kirkland Creek	1,796,890	-	-	-	1,796,890
	$ 2,271,720	**$ -**	**$ -**	**$ -**	**$ 2,271,720**

6. Exploration and Evaluation Assets (continued)

Kirkland Creek Property Claims

The Company has negotiated the purchase of the Kirkland Creek Property, located 120 kilometers northwest of Whitehorse, Yukon, in the Ashihik Lake region. The property originally was comprised of 144 claims totaling approximately 7,300 acres. The Company paid the vendor 2,000,000 common shares for a 100% interest in the property. The vendor will retain a 3% net smelter royalty ("NSR") on any mineral production from the property. Effective November 2010 an advance royalty of $25,000 is payable annually, the Company has paid $175,000 cumulatively to February 29, 2016. The Company has the right to purchase up to 2% of the 3% NSR for $1,000,000 per percentage point. On May 7, 2007, the Company announced that it had expanded the property by staking an additional 36 claims (1,830 acres) adjoining the original 144-claim block. The Company has allowed some of the claims it considers to be of lesser importance to lapse. The Kirkland Creek property now consists of 40 contiguous claims.

ZPG Property

The Company has entered into an option agreement with WPC Resources Inc. ("WPC) to earn a 60% interest in the ZPG property in Lander County, Nevada. Pursuant to the agreement by December 31, 2015 the Company will make expenditures and incur exploration expenditures as follows:

a) Cash payment of $25,000 on signing (paid);
b) Cash payment of $50,000 no later than five business days prior to the commencement of drilling a second drill hole over 300 metres in length on the property; and
c) $500,000 of exploration expenditures, to include no less than two drill holes over 300 metres in length.

Further exploration costs, to a minimum cumulative expenditure of USD 660,000 will be incurred 60% by the Company and 40% by WPC.

The property is subject to an underlying 3% Net Smelter Royalty of which one- half (1.5%) may be purchased for US $1,500,000.

During the year-ended February 29, 2016, the Company abandoned the property and wrote off $49,050 to profit or loss.

7. Reclamation Bond

The bond posted during fiscal 2008 by the Company in anticipation of the drilling on the Sunrise Natural Gas Lands is held in trust for the Company until such time as any required reclamation has been completed. The funds do not bear interest, and fair value is not readily determinable.

(Expressed in Canadian dollars)

8. Asset Retirement Obligation

		Sunrise		Kirkland		Total
Balance February 28, 2016 and August 31, 2016	$	16,825	$	-	$	16,825

9. Share Capital

a) Authorized

Unlimited common shares without par value.

During the period ended August 31, 2016, the Company completed a 10 for 1 share consolidation. All common share, warrant and stock option information presented in these condensed interim financial statements is on a post-consolidation basis.

b) Share issuances

On June 6, 2016 the Company completed a first tranche of the placement and has issued 4,220,000 units for total gross proceeds of $211,000. Each unit consists of one common share and one transferable share purchase warrant, each warrant is exercisable into one additional common share at a price of $0.005 for a period of 36 months from the date of issue. As part of this placement, the Company paid a finders' fee of $2,600 in cash.

On June 28, 2016 the Company completed a second tranche of the placement and has issued 1,580,000 units for total gross proceeds of $79,000. Each unit consists of one common share and one transferable share purchase warrant, each warrant is exercisable into one additional common share at a price of $0.005 for a period of 36 months from the date of issue. As part of this placement, the Company paid a finders' fee of $4,700 in cash. In addition, the Company issued 94,000 agent warrants with the same terms as the financing. The Company has estimated the fair value of the agent warrants to be $4,277 based on the Black-Scholes option pricing model. The assumptions used for included a risk-free interest rate of 1.65%, an expected life of 3 years and an annualized volatility rate of 194%.

c) Options outstanding

The Company, in accordance with the policies of the TSX Venture Exchange, is authorized to grant options to directors, officers, and employees to acquire common shares. The Company's previous stock option plan was cancelled and the Company has adopted the 2015 Stock Option Incentive Plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the issued common shares of the Company from time to time. Options granted under the Plan may have a maximum term of ten (10) years. The exercise price of options granted under the Plan will not be less than the fair market value price of the shares on the date of grant of the options (defined as the last closing market price of the Company's shares on the last day shares are traded prior to the grant date). Stock options granted under the Plan vest immediately subject to vesting terms which may be imposed at the discretion of the Directors.

As at February 28, 2015, February 29, 2016 and August 31, 2016, there were no stock options outstanding.

(Expressed in Canadian dollars)

9. Share Capital (continued)

d) Warrants outstanding

The changes in warrants during the six months ended August 31, 2016 are as follows:

	Number of warrants	Weighted average exercise price
Warrants issued	5,894,000	$ 0.05
	5,894,000	$ 0.05

Details of warrants outstanding at August 31, 2016 are as follows:

Number of Shares	Exercise price	Expiry Date
4,220,000	$ 0.05	June 6, 2019
1,580,000	$ 0.05	June 28, 2019
94,000	$ 0.05	June 28, 2019
5,894,000		

10. Related Party Transactions

There were no related party transactions for the six months ended August 31, 2016 and 2015.

Amounts due to directors and former directors of the Company as at August 31, 2016 of $79,577 (February 29, 2016 - $219,577) were included in accounts payable and accrued liabilities. Amounts due to related parties do not bear interest, are unsecured and are classified as current due to their nature and expected time of repayment.

Advances received from directors as at August 31, 2016 of $38,082 (2016 - $37,812) includes an amount of $4,065 (2016 - $4,065) which bears interest at 10% per annum and was repayable in full on December 16, 2014, $270 of interest (2016 - $nil) has been accrued as at year end. Other loans from Directors bear no interest and have no fixed repayment dates.

11. Loans Payable

Loans payable as at August 31, 2016 includes various loans totaling $38,012 (February 29, 2016 - $35,936), bear interest ranging from Nil to 20% compounded monthly and are repayable on demand. As at August 31, 2016, the Company has accrued interest of $2,076 (2016 - $Nil) on these loans.