

Condensed Interim Financial Statements of

Golden Secret Ventures Ltd.

Three and six months ended June 30, 2017 and 2016
(Expressed in Canadian dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed interim financial statements of Golden Secret Ventures Ltd. (the "Company") have been prepared by and are the responsibility of the Company's management.

In accordance with National Instrument 51-102, the Company discloses that its independent auditor has not performed a review of these unaudited condensed interim financial statements.

Golden Secret Ventures Ltd.

Condensed Interim Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	June 30, 2017	December 31, 2016
Assets		
Current assets		
Cash	\$ 2,415,706	\$ 2,472,755
Prepaid expenses	2,950	-
Amounts receivable	2,033	5,791
Total assets	\$ 2,420,689	\$ 2,478,546
Liabilities and equity		
Current liabilities		
Trade and other payables	\$ 17,177	\$ 24,251
Equity		
Share capital (Note 3)	7,208,034	7,208,034
Equity reserve	250,896	250,896
Deficit	(5,055,418)	(5,004,635)
Total equity	2,403,512	2,454,295
Total liabilities and equity	\$ 2,420,689	\$ 2,478,546

Nature of operations (Note 1)

Approved by the Board of Directors and authorized for issue on August 22, 2017:

_____"Christy Louth"_____
Director

_____"Bernadette D'Silva"_____
Director

Golden Secret Ventures Ltd.

Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
Expenses				
Advisory and consulting	\$ 25,200	\$ 22,500	\$ 51,900	\$ 40,000
Office and administration	3,217	15,622	6,201	25,200
Professional fees	10,085	31,731	10,085	34,169
Regulatory and transfer agent	3,948	4,803	6,374	13,119
Share-based compensation	-	-	-	62,546
	(42,450)	(74,656)	(74,560)	(175,034)
Finance income (expense)	23,777	79	23,777	(291)
Net loss and comprehensive loss	\$ (18,673)	\$ (74,577)	\$ (50,783)	\$ (175,325)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	29,299,252	21,685,533	29,299,252	21,685,533

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

Golden Secret Ventures Ltd.

Condensed Interim Statements of Shareholders' Equity

(Expressed in Canadian dollars)

(Unaudited)

	Share capital		Equity reserve	Deficit	Total equity
	Shares issued	Amount			
At December 31, 2015	14,616,792	\$ 4,345,588	\$ 190,305	\$ (4,734,746)	\$ (198,853)
Cancellation of shares held in escrow	(17,540)	-	-	-	-
Exercise of warrants	6,000,000	420,000	-	-	420,000
Private placement	8,650,000	2,595,000	-	-	2,595,000
Share issue costs	-	(157,010)	-	-	(157,010)
Share-based compensation	-	-	62,546	-	62,546
Net loss	-	-	-	(175,325)	(175,325)
At June 30, 2016	29,249,252	7,203,578	252,851	(4,910,071)	2,546,358
Exercise of options	50,000	4,455	(1,955)	-	2,500
Net loss	-	-	-	(94,564)	(94,564)
At December 31, 2016	29,299,252	7,208,034	250,896	(5,004,635)	2,454,295
Net loss	-	-	-	(50,783)	(50,783)
At June 30, 2017	29,299,252	\$ 7,208,034	\$ 250,896	\$ (5,055,418)	\$ 2,403,512

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

Golden Secret Ventures Ltd.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Six months ended June 30,	
	2017	2016
Operating activities		
Net loss	\$ (50,783)	\$ (175,325)
Adjusted for:		
Share-based compensation	-	62,546
Changes in non-cash working capital items:		
Prepaid expenses	(2,950)	-
Amounts receivable	3,758	(7,079)
Trade and other payables	(7,074)	1,912
Cash used in operating activities	(57,049)	(117,946)
Financing activities		
Exercise of warrants	-	420,000
Private placement, net of share issue costs	-	2,437,990
Related party repayment of advances	-	(216,778)
Cash provided by financing activities	-	2,641,212
Increase (decrease) in cash	(57,049)	2,523,266
Cash, beginning of period	2,472,755	1,691
Cash, end of period	\$ 2,415,706	\$ 2,524,957

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

Golden Secret Ventures Ltd.

Notes to the Condensed Interim Financial Statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

1. NATURE OF OPERATIONS

The Company was incorporated on April 25, 1969, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties. The Company's shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol GGS. The Company's registered and records office is located at 1055 West Georgia Street, 1500 Royal Centre, Vancouver, British Columbia, V6E 4N7.

The Company has not generated significant revenues from operations. As at June 30, 2017, the Company had working capital of \$2,403,512, representing funds available to cover on-going operating costs. The Company has incurred negative cash flows from operations, recorded a net loss of \$50,783 for the six months ended June 30, 2017, and has an accumulated deficit of \$5,055,418 as at June 30, 2017. 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.

2. BASIS OF PRESENTATION

(a) Statement of compliance

The Company prepares its annual financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretation Committee. These unaudited condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting and follow the same accounting policies and methods of application as the Company's most recent annual financial statements. Accordingly, they should be read in conjunction with the Company's most recent annual financial statements.

(b) New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. The following has not yet been adopted by the Company and is being evaluated to determine its impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

3. EQUITY

(a) Authorized

Unlimited common shares with no par value

(b) Issued and fully paid common shares

There were no common shares issued during the six months ended June 30, 2017.

During the six months ended June 30, 2016, the Company closed a non-brokered private placement of 8,650,000 shares at a price of \$0.30 per share for gross proceeds of \$2,595,000. Cash transaction costs of \$157,010 were incurred as share issue costs.

During the six months ended June 30, 2016, 6,000,000 common shares were issued pursuant to the exercise of share purchase warrants (Note 3(d)).

Golden Secret Ventures Ltd.

Notes to the Condensed Interim Financial Statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

3. EQUITY (continued)

(b) Issued and fully paid common shares (continued)

As at June 30, 2017, 29,299,252 common shares were issued and outstanding (December 31, 2016: 29,299,252).

(c) Share options

The Company has adopted an incentive share option plan which provides that the Board of Directors of the Company may from time to time, in its discretion and in accordance with TSX-V requirements, grant non-transferable share options to purchase common shares, provided that the number of common shares reserved for issuance in any twelve month period will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant at a price not less than the closing price of the Company's shares on the last trading day before the grant of such options less any discount, if applicable.

Following is a summary of changes in share options outstanding:

	Number of options	Weighted average exercise price
Balance, December 31, 2015	-	\$ -
Granted	1,600,000	0.05
Exercised	(50,000)	0.05
Balance, December 31, 2016 and June 30, 2017	1,550,000	\$ 0.05

The following table summarizes information about share options outstanding at June 30, 2017:

Outstanding and exercisable	Exercise price	Expiry date
1,550,000	\$ 0.05	March 9, 2026

(d) Warrants

Following is a summary of changes in warrants outstanding:

	Warrants outstanding	Weighted average exercise price
Balance, December 31, 2015	11,000,000	\$ 0.07
Exercised	(6,000,000)	0.07
Balance, December 31, 2016 and June 30, 2017	5,000,000	\$ 0.07

The following table summarizes information about the warrants outstanding and exercisable at June 30, 2017:

Outstanding and exercisable	Exercise price	Expiry date
5,000,000	\$ 0.07	March 4, 2019

Golden Secret Ventures Ltd.

Notes to the Condensed Interim Financial Statements

June 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

4. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

There was no key management personnel compensation during the six months ended June 30, 2017 (2016: \$20,850).

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with one major bank in Canada so there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company's secondary exposure to risk on its amounts receivable is minimal since GST is refundable from the Canadian Government.

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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet on-going business requirements, taking into account its current cash position and potential funding sources. Historically, the Company's source of funding has been either the issuance of equity securities for cash, primarily through private placements, or loans from its directors and/or companies controlled by its directors. The Company's access to financing is always uncertain and there can be no assurance of continued access to significant funding from these sources.

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company only operates in Canada and is therefore not exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account.

6. CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence, safeguard the Company's ability to support its exploration and development expenditures and to sustain future development of the business. The capital structure of the Company consists of share and working capital. There were no changes in the Company's approach to capital management during the period and the Company is not subject to any restrictions on its capital.

Golden Secret Ventures Ltd.

Notes to the Condensed Interim Financial Statements

June 30, 2017

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7. COMPARATIVE FIGURES

Certain comparative data have been reclassified to conform with the presentation of the current year. The Company has grouped together certain expenses on the statement of operations. There is no net impact on the financial position, net loss, cash flows or loss per share in 2016 as a result of these reclassifications.