
Brigadier Gold Limited

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2018**

(Expressed in Canadian Dollars)

(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of Brigadier Gold Limited (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the three and six months ended June 30, 2018 have not been reviewed by the Company's auditors.

Brigadier Gold Limited

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

As at	June 30, 2018	December 31, 2017
Assets		
Current assets		
Cash	\$ 59,006	\$ 73,490
Amounts receivable	8,281	2,867
Prepaid expenses	71,074	-
Total current assets	138,361	76,357
Investments	50	50
Total Assets	\$ 138,411	\$ 76,407
Liabilities and Shareholders' Deficiency		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	\$ 216,210	\$ 99,864
Total Liabilities	216,210	99,864
Shareholders' Deficiency		
Share capital (note 4(b))	10,006,127	9,777,099
Warrants (note 6)	174,203	248,768
Contributed surplus (note 5)	4,698,085	4,381,655
Deficit	(14,956,214)	(14,430,979)
	(77,799)	(23,457)
Total Liabilities and (Deficiency)	\$ 138,411	\$ 76,407

Nature of operations and going concern (note 1)

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Brigadier Gold Limited

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Expenses				
Salaries, director fees and benefits (note 7)	\$ -	\$ 60,000	\$ -	\$ 60,000
Consulting fees	143,047	6,650	214,047	6,650
General and administration	40,369	226,544	69,509	259,327
Professional fees	94,851	44,004	104,855	44,004
Business development	20,040	-	20,164	-
Stock-based compensation	69,155	-	69,155	-
Foreign exchange loss	(627)	3,422	(208)	3,603
Investor relations, transfer agent and filing fees	42,753	-	47,713	-
Net loss and comprehensive loss for the period	409,588	\$ 340,620	\$ 525,235	\$ 373,584
Basic and diluted loss per share	\$ 0.00	\$ 0.00	\$ 0.04	\$ 0.06
Weighted average number of shares outstanding	15,838,052	9,442,443	13,969,313	5,781,463

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Brigadier Gold Limited

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital		Warrants	Contributed Surplus	Deficit	Total
	Number	Amount				
Balance, December 31, 2016	2,079,810	\$ 9,069,067	\$ -	\$ 4,381,655	\$ (13,941,169)	\$ (490,447)
Issuance of common shares in private placement (note 4 (b)(i))	10,000,000	1,000,000	-	-	-	1,000,000
Issuance costs (note 4 (b)(i))	-	(43,200)	-	-	-	(43,200)
Fair value of warrants issued in private placement (note 4 (b)(i))	-	(248,768)	248,768	-	-	-
Net loss and comprehensive loss for the period	-	-	-	-	(373,584)	(373,584)
Balance, June 30, 2017	12,079,810	\$ 9,777,099	\$ 248,768	\$ 4,381,655	\$ (14,314,753)	\$ 92,769
Balance, December 31, 2017	12,079,810	\$ 9,777,099	\$ 248,768	\$ 4,381,655	\$ (14,430,979)	\$ (23,457)
Issuance of common shares in private placement (note 4 (b)(ii))	4,700,000	470,000	-	-	-	470,000
Issuance costs (note 4 (b)(ii))	-	(80,262)	-	-	-	(80,262)
Fair value of warrants issued in private placement (note 4 (b)(ii))	-	(150,556)	150,556	-	-	-
Fair value of broker warrants issued in private placement (note 4 (b)(ii))	-	(23,647)	23,647	-	-	-
Issuance of common shares upon exercise of warrants	60,000	12,000	-	-	-	12,000
Reclassification of fair value of warrants exercised	-	1,493	(1,493)	-	-	-
Expiration of warrants	-	-	(247,275)	247,275	-	-
Stock-based compensation	-	-	-	69,155	-	69,155
Net loss and comprehensive loss for the period	-	-	-	-	(525,235)	(525,235)
Balance, June 30, 2018	16,839,810	\$ 10,006,127	\$ 174,203	\$ 4,698,085	\$ (14,956,214)	\$ (77,799)

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Brigadier Gold Limited

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Six Months Ended June 30,	
	2018	2017
Operating Activities		
Net loss for the period	\$ (525,235)	\$ (373,584)
Items not affecting cash:		
Stock-based compensation	69,155	-
Changes in non-cash operating working capital:		
Prepays and amounts receivables	(76,488)	(3,390)
Accounts payable and accrued liabilities	116,346	(331,248)
Cash (used in) operating activities	(416,222)	(708,222)
Financing Activities		
Proceeds on issuance of shares, net of issuance costs	389,738	956,800
Proceeds from exercise of warrants	12,000	-
Cash provided by financing activities	401,738	956,800
Change in cash during the year	(14,484)	248,578
Cash, beginning of the period	73,490	482
Cash, end of the period	\$ 59,006	\$ 249,060

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of operations and going concern

Brigadier Gold Limited (the "Company") is incorporated under the Business Corporations Act (Ontario) and conducts exploration and development on mining properties in Canada. The address of the Company's registered office is 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1. To date the Company has not realized any recoveries from its properties and is considered an exploration and development stage Company.

On March 16, 2017, the Company implemented a 30 for 1 consolidation of its common shares effective March 17, 2017. These consolidated financial statements reflect this consolidation as they relate to common shares outstanding.

These unaudited condensed interim consolidated financial statements, approved by the Board of Directors on August 13, 2018, have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due.

These unaudited condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a "going concern", which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company reported net loss of \$525,235 for the six months ended June 30, 2018 (six months ended June 30, 2017 - loss of \$373,584) and had an accumulated deficit of \$14,956,214 at June 30, 2018 (December 31, 2017 - \$13,14,430,979).

These material uncertainties of successive operating losses, together with the challenges of securing requisite funding may cast significant doubt as to the Company's ability to continue as a going concern. The unaudited condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

2. Summary of significant accounting policies

(a) Statement of compliance

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied by the Company in these unaudited condensed interim consolidated financial statements are the same as those applied in the Company's annual consolidated financial statements for the year ended December 31, 2017. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2018 could result in restatement of these unaudited condensed interim consolidated financial statements.

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

2. Summary of significant accounting policies (continued)

(b) Accounting policies adoptions and changes

Adoption of IFRS 9 - Financial Instruments ("IFRS 9")

Effective January 1, 2018, the Company adopted IFRS 9. In July 2014, the IASB issued the final publication of the IFRS 9 standard, which supersedes IAS 39, Financial Instruments: recognition and measurement (IAS 39). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, new guidance for measuring impairment on financial assets, and new hedge accounting guidance. The Company has adopted IFRS 9 on a retrospective basis, however, this guidance had no impact to the Company's financial statements.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVTOCI) and fair value through profit and loss (FVTPL).

The new hedge accounting guidance aligns hedge accounting more closely with an entity's risk management objectives and strategies. IFRS 9 does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness; however, it allows more hedging strategies used for risk management to qualify for hedge accounting and introduces more judgement to assess the effectiveness of a hedging relationship, primarily from a qualitative standpoint. The Company has elected to continue with IAS 39 for hedging. This does not have an effect on our reported results.

Below is a summary showing the classification and measurement bases of our financial instruments as at January 1, 2018 as a result of adopting IFRS 9 (along with comparison to IAS 39).

Classification	IAS 39	IFRS 9
Cash	Loans and receivables (amortized cost)	Amortized cost
Amounts receivable	Loans and receivables (amortized cost)	Amortized cost
Investments	FVTPL	FVTPL
Accounts payable and accrued liabilities	Other financial liabilities (amortized cost)	Amortized cost

As a result of the adoption of IFRS 9, the accounting policy for financial instruments as disclosed in the Company's December 31, 2017 consolidated financial statements has been updated as follows:

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

2. Summary of significant accounting policies (continued)

(b) Accounting policies adoptions and changes (continued)

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

i. Financial assets recorded at fair value through profit or loss ("FVTPL")

Financial assets are classified as fair value through profit or loss if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Gains or losses on these items are recognized in profit or loss.

The Company's investment is classified as financial assets measured at FVTPL.

ii. Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at fair value through profit and loss: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest".

The Company's cash and amounts receivable are classified at amortized cost.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

i. Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at fair value through profit or loss, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

The Company's amounts payable and other liabilities do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

ii. Financial liabilities recorded as fair value through profit or loss ("FVTPL").

Financial liabilities are classified as fair value through profit or loss if they fall into one of the five exemptions detailed above.

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

2. Summary of significant accounting policies (continued)

(b) Accounting policies adoptions and changes (continued)

Transaction costs

Transaction costs associated with financial instruments, carried at fair value through profit or loss, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Expected Credit Loss Impairment Model

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application. The adoption of the expected credit loss impairment model had no impact on the Company's financial statements.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

IFRS 15, Revenue from Contracts with Customers ("IFRS 15")

IFRS 15 was issued by the IASB in May 2014 and clarifies the principles for recognizing revenue from contracts with customers. IFRS 15 will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (i.e. service revenue and contract modifications) and improve guidance for multiple-element arrangements. On January 1, 2018, the Company adopted IFRS 15 and has determined that the adoption of this new standard does not have a significant impact on its financial statements.

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

2. Summary of significant accounting policies (continued)

(c) Standards issued or amended which will be adopted in future periods

IFRS 16, Leases ("IFRS 16") was issued by the IASB in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. An entity applies IFRS 16 for annual periods beginning on or after January 1, 2019. Earlier application is permitted if IFRS 15 Revenue from Contracts with Customers has also been applied. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. The Company is currently assessing the effects of IFRS 16 and intends to adopt it on its effective date.

3. Mineral property interests

Northern Ontario properties, Canada

As at June 30, 2018, the Company has an interest in mining claims in the Larder Lake Mining Division.

4. Share capital

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

The following is a continuity of shares issued:

	Shares	Amount
Balance, December 31, 2016	2,079,806	\$ 9,069,067
Issuance of common shares in private placement (i)	10,000,000	1,000,000
Issuance costs (i)	-	(43,200)
Fair value of warrants issued in private placement (i)	-	(248,768)
Balance, June 30, 2017 and December 31, 2017	12,079,806	\$ 9,777,099
Issuance of common shares in private placement (ii)	4,700,000	470,000
Issuance costs (ii)	-	(80,262)
Fair value of warrants issued in private placement (ii)	-	(150,556)
Fair value of broker warrants issued in private placement (ii)	-	(23,647)
Issuance of common shares upon exercise of warrants	60,000	12,000
Reclassification of fair value of warrants exercised	-	1,493
Balance, June 30, 2018	16,839,806	\$ 10,006,127

(i) On April 24, 2017, the Company completed a non-brokered private placement for the issuance of 10,000,000 units at a price of \$0.10 per unit for gross proceeds of \$1,000,000. Each Unit consists of one common share and one common share purchase warrant. Each warrant will entitle the holder to acquire one common share at an exercise price of \$0.20 for a period of 12 months from the closing. The grant date fair value assigned to these warrants was \$248,768, estimated using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.72% and an expected life of 1 year. The Company incurred issuance costs of \$43,200.

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

4. Share capital (continued)

b) Issued share capital (continued)

(ii) On April 19, 2018, the Company announced the closing of a private placement offering ("Offering") of \$470,000 of gross proceeds based on the issuance of 4,700,000 units (the "Units") at a price of \$0.10 per Unit. Each Unit consists of one common share (a "Common Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one (1) common share at an exercise price of \$0.15 until April 19, 2019. The Company paid arm's length finder's fees of \$18,800 and issued finders a total of 188,000 Warrants. The Common Shares and Warrants are subject to a resale restriction until August 20, 2018. Closing of the Offering remains subject to receipt of all necessary regulatory approvals, including final approval of the TSX Venture Exchange. Certain directors of the Company acquired a portion of the Offering and their participation is considered to be a related party transaction.

The Company incurred a total transaction costs of \$80,262 including the finder's fees. \$31,005 of these transaction costs was allocated to the Warrants and the remaining \$49,257 was allocated to the share capital.

The fair value of the Warrants was estimated at \$181,561 using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 164.89%, risk-free interest rate of 1.68% and an expected life of 1 year. The fair value of the broker warrants was estimated at \$23,647 using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 164.89%, risk-free interest rate of 1.68% and an expected life of 1 year.

5. Stock options

The number of shares reserved for issuance under the Company's stock option plan is limited to 10% of the number of shares which are issued and outstanding on the date of a particular grant of options. Under the plan, the Board of Directors determines the term of a stock option to a maximum of 10 years, the period of time during which the options may vest, unless otherwise required by applicable securities law, stock exchange and other regulatory requirements, and when they become exercisable, as well as the option exercise price, which shall not be less than the prevailing price permitted by the TSX Venture Exchange. The Directors determine the recipients of, and nature and size of, share-based payment awards in compliance with applicable securities law, stock exchange and other regulatory requirements.

Stock option transactions are summarized as follows:

	Number of stock options outstanding	Weighted average exercise price
Balance, December 31, 2016 June 30, 2017	-	\$ -
Balance, December 31, 2017	-	\$ -
Granted (i)	1,060,000	0.20
Forfeited	(330,000)	0.20
Balance, June 30, 2018	730,000	\$ 0.20

(i) On May 9, 2018, the Company granted 1,060,000 stock options to directors and consultants with each option exercisable into one common share of the Company at an exercise price of \$0.20 per share until May 9, 2023. Subsequently 330,000 of these options granted to a consultant was cancelled and as at June 30, 2018, 730,000 stock options were outstanding. A fair value of \$69,155 was determined using the Black-Scholes option pricing model. The following weighted average assumptions were used: dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 96%; risk-free interest rate - 2.14%; and an expected life - 5 years. The options vested immediately.

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

5. Stock options (continued)

Stock options outstanding as at June 30, 2018:

Expiry date	Exercise price (\$)	Remaining contractual life (years)	Options exercisable
May 9, 2023	0.20	4.86	730,000

6. Warrants and broker warrants

Warrants

Warrant transactions are summarized as follows:

	Number of warrants outstanding	Weighted average exercise price (\$)
Balance, December 31, 2016	-	\$ -
Issued	10,000,000	0.20
Balance, June 30, 2017	-	\$ -

Balance, December 31, 2017	10,000,000	\$ 0.20
Issued	4,700,000	0.15
Exercised	(60,000)	0.20
Expired	(9,940,000)	0.20
Balance, June 30, 2018	4,700,000	\$ 0.15

Warrants outstanding as at June 30, 2018:

Expiry date	Warrants outstanding	Exercise price (\$)	Remaining contractual life (years)	Warrants exercisable
April 19, 2019	4,700,000	0.15	0.80	4,700,000

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements
June 30, 2018
(Expressed in Canadian Dollars)
(Unaudited)

6. Warrants and broker warrants (continued)

Broker warrants

Warrant transactions are summarized as follows:

	Number of warrants outstanding	Weighted average exercise price (\$)
Balance, December 31, 2016 and June 30, 2017	-	\$ -
Balance, December 31, 2017	-	\$ -
Issued	188,000	0.10
Balance, June 30, 2018	188,000	\$ 0.10

Broker warrants outstanding as at June 30, 2018:

Expiry date	Warrants outstanding	Exercise price (\$)	Remaining contractual life (years)	Warrants exercisable
April 19, 2019	188,000	0.10	0.80	188,000

7. Related party transactions

Related party transactions reflected in these consolidated financial statements are as follows:

(i) The Chief Financial Officer is an employee of Marrelli Support Services Inc. ("MSSI"), a firm providing accounting services. During the three and six months ended June 30, 2018, the Company incurred \$14,243 and \$23,630, respectively (three and six months ended June 30, 2017 - \$nil) for accounting services rendered by MSSI. As at June 30, 2018, \$2,364 (December 31, 2017 - \$6,307) is included in accounts payable and accrued liabilities.

(ii) During the three and six months ended June 30, 2018, the Company recorded \$30,000 and \$60,000, respectively (three and six months ended June 30, 2017 - \$nil) consulting fees in relation to the management services provided by Grant Hall in performing the role as the Company's Chief Executive Office. As at June 30, 2018, \$10,000 (December 31, 2017 - \$nil) was payable to Mr. Grant Hall which was included in accounts payable and accrued liabilities.

(iii) As at June 30, 2018, the Company owed \$60,000 (December 31, 2017 - \$60,000) to former Chief Financial Officer.

(iv) For the three and six months ended June 30, 2018, the Company recorded \$18,947 (three and six months ended June 30, 2017 - \$nil) stock-based compensation for stock options granted to one of the directors.

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

8. Capital management

The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the Company's capital requirements, the Company has in place planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. There were no externally imposed capital requirements to which the Company is subject as at June 30, 2018. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the Exchange which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of June 30, 2018, the Company is compliant with known requirements other than Policy 2.5 of the TSX Venture Exchange. The Company continues to evaluate various options in order to meet the capital requirement imposed by Policy 2.5 of TSX Venture Exchange. There can be no assurance that the Company's financing activities will be successful or sufficient.

9. Financial instruments and risk management

The carrying values of cash, and accounts payable and accrued liabilities are considered representative of their respective fair values due to their short term period to maturity.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's maximum exposure to credit risk at the consolidated statements of financial position date under its financial instruments is summarized as follows:

Those financial assets that potentially subject the Company to credit risk are its cash. Substantially all of the Company's cash is held with major financial institutions in Canada, and management believes the exposure to credit risk with such institutions is not significant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of its mineral property interests. The Company coordinates this planning and budgeting process with its financing activities through the capital management process described in note 8, in normal circumstances. Further information regarding liquidity risk is set out in note 1.

Brigadier Gold Limited

(An Exploration Stage Company)

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

9. Financial instruments and risk management (continued)

Liquidity risk (continued)

- Interest rate risk

The Company had no significant exposure at June 30, 2018, to interest rate risk through its financial instruments.

- Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Commodity price risk is remote since the Company is not a producing entity. 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. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

- Currency risk

The Company's currency risk arises primarily with fluctuations in the United States dollar. The Company has no revenue and any exposure to currency risk is related to expenditures by the Company in the United States.