



Interim unaudited condensed consolidated financial statements of

BOLD VENTURES INC.

For the three months ended January 31, 2017 and 2016

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The accompanying financial statements for Bold Ventures Inc. have been prepared by management in accordance with International Financial Reporting Standards consistently applied. These financial statements are unaudited and have not been reviewed by the Company's auditors.

BOLD VENTURES INC.**Interim unaudited condensed consolidated statements of financial position**

As at

<i>(in Canadian Dollars)</i>	Notes	January 31 2017 \$	October 31, 2016 \$
Assets			
Current assets			
Cash and restricted cash	5(i)	225,879	116,231
Amounts receivable from a government		25,562	49,979
Marketable securities	5(ii)	100,000	100,000
Prepays and deposits		16,162	3,213
Total current assets		367,603	269,423
Convertible debenture conversion feature	6	119,166	107,143
Exploration and evaluation assets	7	2,380,610	2,259,360
Total assets		2,867,379	2,635,926
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8	153,025	50,522
Un-renounced flow through share premium	9(a)(iv)	127,182	47,182
		280,207	97,704
Equity			
Share capital	9	10,894,938	10,864,938
Contributed surplus		1,239,628	1,155,628
Deficit		(9,547,394)	(9,482,344)
Total equity		2,587,172	2,538,222
Total liabilities and equity		2,867,379	2,635,926

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

Going concern (Note 2)

Commitments and contingencies (Notes 7 and 12)

Director

"Ian Brodie-Brown"

Ian Brodie-Brown

Director

"Richard Nemis"

Richard Nemis

BOLD VENTURES INC.**Interim unaudited condensed consolidated statements of loss and comprehensive loss**

<i>(in Canadian Dollars)</i>	<i>Note</i>	For the three months ended January 31,	
		2017	2016
Expenses			
Salaries and management fees		\$ 24,000	\$ 13,532
Professional fees		6,535	14,852
Office and general		6,757	11,778
Rent		3,668	6,509
Travel and promotion		3,564	3,320
Transfer agent and filing fees		7,121	695
Share-based payment	9(d)(iii)	4,000	101,500
Loss before the following		(55,645)	(152,186)
Accretion income	6	12,023	-
Interest and other income		53	98
Write-off of exploration and evaluation assets	7(a)(ii)	(21,481)	-
		(9,405)	98
Net loss and total comprehensive loss for the period		\$ (65,050)	\$ (152,088)
Net loss per share:			
Basic and diluted loss per share		\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding - basic and diluted		114,822,468	84,752,765

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

Bold Ventures Inc.
Interim unaudited condensed consolidated statements of changes in equity

(In Canadian Dollars)

	Note	Share capital		Contributed surplus	Deficit	Total equity
		Number of shares	Amount			
			\$	\$	\$	\$
Balance at October 31, 2015		84,752,765	10,412,236	893,176	(9,524,396)	1,781,016
Options granted	9(d)(i)	-	-	101,500	-	101,500
Loss for the period		-	-	-	(152,088)	(152,088)
Balance at January 31, 2016		84,752,765	10,412,236	994,676	(9,676,484)	1,730,428
Balance at October 31, 2016		113,400,246	10,864,938	1,155,628	(9,482,344)	2,538,222
Options granted	9(d)(iii)	-	-	4,000	-	4,000
Flow through units issued	9(a)(iv)	4,000,000	200,000	-	-	200,000
Cash share issue costs	9(a)(iv)	-	(10,000)	-	-	(10,000)
Estimated fair value of flow through unit allocated to warrants	9(a)(iv)	-	(80,000)	80,000	-	-
Estimated fair value of flow through unit allocated to flow through share premium	9(a)(iv)	-	(80,000)	-	-	(80,000)
Loss for the period		-	-	-	(65,050)	(65,050)
Balance at January 31, 2017		117,400,246	10,894,938	1,239,628	(9,547,394)	2,587,172

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

Bold Ventures Inc.
Interim unaudited condensed consolidated statements of cash flows

	For the three months ended January 31,	
<i>(in Canadian Dollars)</i>	2017	2016
	\$	\$
Cash flows from:		
Operating activities		
Net loss for the period	(65,050)	(152,088)
Adjustment for items not affecting cash:		
Share-based payments	4,000	101,500
Write-off of exploration and evaluation assets	21,481	-
Accretion income	(12,023)	-
 Changes in non-cash working capital items:		
Amounts receivable	24,417	8,521
Prepays and deposits	(12,949)	(10,525)
Accounts payable and accrued liabilities	102,503	13,402
Cash flows from operating activities	<u>50,357</u>	<u>(39,190)</u>
 Investing activities		
Acquisition of exploration and evaluation assets	(142,731)	-
Cash flows from investing activities	<u>(142,731)</u>	<u>-</u>
 Financing activities		
Loan from a shareholder	-	6,029
Issuance of flow through units	200,000	-
Share issue expenses	(10,000)	-
Cash flows from financing activities	<u>190,000</u>	<u>6,029</u>
 Net change in cash and cash equivalents	97,626	(33,161)
Cash and cash equivalents, beginning of period	<u>116,231</u>	<u>53,327</u>
Cash and cash equivalents, end of period	<u>213,856</u>	<u>20,166</u>

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

Bold Ventures Inc.

Notes to the interim unaudited condensed consolidated financial statements

For the three months ended January 31, 2017 and 2016

(in Canadian dollars)

1. General information

Bold Ventures Inc. ("Bold" or the "Company") was incorporated on June 8, 1989 under the laws of British Columbia. On August 31, 2010, the Company filed Articles of Continuance to continue into Ontario and is now subject to the laws of Ontario as if it had been incorporated under the *Business Corporations Act (Ontario)*.

The Company is engaged in the acquisition, exploration and evaluation of mineral properties in Canada and the USA and is publicly listed on the TSX Venture Exchange. The address of the registered office is Bay Adelaide Centre - East Tower, 22 Adelaide Street West, Suite 3600, Toronto, Ontario M5H 4E3.

The interim unaudited condensed consolidated financial statements of the Company for the three months ended January 31, 2017 and 2016 were authorized for issuance in accordance with a resolution of the board of directors on March 29, 2017.

2. Going concern

The Company's ability to realize the costs it has incurred to date on its properties is dependent upon it being able to identify economically recoverable reserves; to finance their exploration and evaluation costs; to resolve any environmental, regulatory, or other constraints which may hinder the successful development of the reserves; and to attain profitable operations.

The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. These conditions along with a negative working capital balance indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Changes in future conditions could require material write downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory, environmental and social requirements.

These interim unaudited condensed consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying interim unaudited condensed consolidated financial statements. Such adjustments could be material. It is not possible to predict whether the Company will be able to raise adequate financing or to ultimately attain profitable levels of operations.

Details of deficit and working capital of the Company are as follows;

	<u>January 31, 2017</u>	<u>October 31, 2016</u>
	\$	\$
Deficit	9,547,394	9,482,344
Working capital	87,396	171,719

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3. Basis of preparation

These interim unaudited condensed consolidated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS") and in particular in accordance with International Accounting Standard 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). IFRS represents standards and interpretations approved by the International Accounting Standards Board ("IASB"), and are comprised of IFRSs, International Accounting Standards ("IASs"), and interpretations issued by the IFRS Interpretations Committee ("IFRICs") or the former Standing Interpretations Committee ("SICs").

4. Significant accounting policies

Basis of consolidation

These interim unaudited condensed consolidated financial statements include the accounts of the Company and its controlled subsidiaries. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

The Company owns 100% of Rencore Resources Inc., a company engaged in exploration of the Ring of Fire area north northeast of Thunder Bay, Ontario.

Basis of measurement

These interim unaudited condensed consolidated financial statements have been prepared on a going concern basis, under the historical cost basis, except for cash equivalents, marketable securities and convertible debenture conversion feature, which are measured at fair value. These interim unaudited condensed consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Exploration and evaluation assets

Exploration and evaluation outlays relating to properties, that are incurred after the legal right to explore has been obtained, are capitalized until the properties are brought into production, at which time they are amortized on a unit-of-production basis. Other general exploration expenses are charged to consolidated statements of loss as incurred. The cost of properties abandoned, impaired or sold and their related capitalized exploration costs are expensed to consolidated statements of loss in the year of abandonment or sale. The amounts shown as exploration and evaluation assets represent unamortized costs to date and do not necessarily reflect present or future values.

Costs include the cash consideration and the fair market value of shares issued for the acquisition and exploration of properties. The carrying value is reduced by option proceeds received until such time as the exploration and evaluation assets are reduced to nominal amounts. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company are recorded in the accounts at the time of payment.

When a project is considered to no longer have commercially viable prospects for the Company, exploration and evaluation assets in respect of that property are assessed as impaired and written off to the consolidated statements of loss. The Company also assesses exploration and evaluation assets for impairment when other facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

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Impairment

Financial assets

At the end of each reporting period, the Company assesses its financial assets to determine whether there is any objective evidence that they are impaired. Significant financial difficulties of a debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in the consolidated statements of loss.

Non-financial assets

At the end of each reporting period, non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly. Any impairment is recognized in the consolidated statements of loss.

Cash and cash equivalents

Cash and cash equivalents include short-term investments with original maturities of less than ninety days. The Company invests cash in term deposits maintained in high credit quality institutions.

Provisions and decommissioning liabilities

Provisions, which include decommissioning liabilities, are liabilities that are uncertain in timing or amount. The Company records a provision when:

- (i) the Company has a present obligation, legal or constructive, as a result of a past event;
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation.

Constructive obligations are obligations that derive from the Company's actions where:

- (i) by an established pattern of past practice, published policies or a sufficiently specific current statement, the Company has indicated to other parties that it will accept certain responsibilities; and
- (ii) as a result, the Company has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Provisions are reviewed at the end of each reporting period and adjusted to reflect management's current best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Provisions are reduced by actual expenditures for which the provision was originally recognized. Where discounting has been used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase (accretion expense) is included in finance costs in the consolidated statements of loss.

The Company did not have any material reclamation provisions or decommissioning liabilities as at January 31, 2017 and 2016.

Loss per share

Basic loss per share is calculated using the weighted average number of shares outstanding. Diluted loss per share is calculated by assuming that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The diluted loss per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share. During the three months

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ended January 31, 2017 and 2016, all outstanding options and warrants were considered anti-dilutive and were therefore excluded from the diluted loss per share calculation.

Income taxes

Income tax expense comprises current and deferred income tax. Income tax is recognized in the consolidated statements of loss except to the extent it relates to items recognized in other comprehensive loss or directly in equity.

Current income tax

Current income tax expense is based on the results for the period as adjusted for items that are not taxable and not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management at the end of each reporting period evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the financial statements and their corresponding tax bases used in the computation of taxable profit, and are accounted for using the asset and liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

Flow through-share financings

The Company periodically finances a portion of its exploration activities through the issue of flow through shares, which transfers the tax deductibility of exploration expenditures to the investor (referred to as renunciation). Proceeds received on the issuance of such shares up to the value of similar non-flow through shares are credited to capital stock and any difference between that amount and the issue price is recognized as a flow through share premium and recognized as a liability in the consolidated statements of financial position. Upon renunciation to the investor of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the liability previously recorded is reversed with any difference being recorded as a deferred tax recovery (expense). To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a recovery on the consolidated statements of loss. The related exploration costs are charged to exploration and evaluation assets.

Foreign currency translation

The Canadian dollar is the functional and reporting currency of the Company's operations. Monetary assets and liabilities are translated into Canadian dollars at exchange rates in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at historical exchange rates. Revenues and expenses are translated at the rate at the time of the transaction. Any resulting gain or loss is recorded in the consolidated statements of loss.

Revenue recognition

Operator fee revenue is recognized by the Company as a percentage of exploration and evaluation activities undertaken by the Company on behalf of the option holder of the Ring of Fire property. Revenue is recognized as these exploration and evaluation expenditures occur.

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Financial instruments

Financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as “fair value through profit or loss (“FVTPL”)”, “available for sale” financial assets, “held to maturity”, “loans and receivables”, or “other” financial liabilities. FVTPL financial instruments are measured at their fair value with changes in fair value recognized in net loss for the period. Available for sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive loss until the asset is removed from the consolidated statements of financial position or until impairment is assessed as other than temporary. Held to maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments recorded at fair value by valuation technique:

Level 1: The fair value measurements are classified as level 1 if the fair value is determined using quoted, unadjusted market prices for identical assets or liabilities.

Level 2: The fair value measurements are classified as level 2 when inputs other than quoted prices in level 1 which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: The fair value measurements are classified as level 3 when inputs require unobservable market data or use statistical techniques to derive forward curves from observable market data and unobservable inputs.

Share-based payments

The Company applies the fair value method of accounting for share-based payments granted to employees and other individuals providing similar services. The fair value of the options is determined using an option pricing model that takes into account, as of the grant date, the exercise price, the expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, and the risk free interest rate over the expected life of the option. Each tranche of an option that vests over time is considered a separate award and the fair value of each tranche is expensed over its vesting period with the corresponding credit to contributed surplus.

Share-based payments granted to non-employees are measured at the fair value of goods received unless that cannot be reasonably estimated in which case the fair value of the share-based payments are used. The measurement date is generally the date the goods or services are received.

Cash consideration received from employees on exercise of options is credited to share capital along with the original grant date fair value of the options exercised. The value of options forfeited before vesting is removed from contributed surplus and credited to operations, while the value of options that expire after vesting is credited directly to deficit.

Warrants

All warrants issued under a unit financing arrangement are valued on the date of grant using the Black-Scholes option pricing model, net of related issue costs and are recorded in contributed surplus. Expired warrants are removed from contributed surplus and credited directly to deficit.

Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning on or after February 1, 2017 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded below. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

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IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity’s own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

Segmented information

The Company currently conducts substantially all of its operations in Canada in one business segment.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the interim unaudited condensed consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the interim unaudited condensed consolidated financial statements are:

Capitalization of exploration and evaluation assets

Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits.

Impairment of exploration and evaluation assets

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company’s exploration and evaluation assets.

Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company’s control, are feasible, and are within management’s ability to implement. Examination by applicable tax authorities is

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supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

Restoration, rehabilitation and environmental obligations

Restoration, rehabilitation and environmental obligations are estimated based on the Company's interpretation of current legal or constructive obligation to incur restoration, rehabilitation and environmental costs, which may arise when environmental disturbance is caused by the exploration and evaluation of a property interest. Such costs are discounted to their net present value using a risk-free rate and are provided for and expensed as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The Company has no material restoration, rehabilitation and environmental obligations as at January 31, 2017 and October 31, 2016, as the disturbance to date is minimal.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Contingencies

Refer to Note 12.

Going concern

Refer to Note 2.

5. Cash and restricted cash, and marketable securities

(i) Cash and restricted cash are as follows:

	<u>January 31, 2017</u>	<u>October 31, 2016</u>
	\$	\$
Cash	32,002	116,231
Restricted cash	193,877	-
Total cash and restricted cash	<u>225,879</u>	<u>116,231</u>

(ii) The Company's marketable securities have been designated as Fair Value Through Profit and Loss and are reported at fair value based on quoted market prices as follows:

	<u>January 31, 2017</u>	<u>October 31, 2016</u>
	\$	\$
KWG resources Inc.	<u>100,000</u>	<u>100,000</u>

6. Convertible debenture conversion feature

The convertible debenture was provided by KWG Resources Inc. in partial satisfaction of an obligation to pay operator fees to the Company. The conversion feature on the convertible debenture has been designated as a Fair Value Through Profit and Loss asset. The face value of the convertible debenture in

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the amount of \$267,858 is convertible into common shares of KWG Resources Inc. at \$0.05 per share; the value of the conversion feature plus accretion to date of \$12,023 was estimated at \$119,166 at January 31, 2017 using the Black Scholes valuation model under the following assumptions:

Expected dividend yield	0%
Expected annual volatility	236%
Risk-free interest rate	0.74%
Expected average life	2.25 years

The Company has determined that conditions were not met to recognize the receivable portion of the convertible debenture in these financial statements. As a result, no value has been recorded for the receivable portion of the convertible debenture.

7. Exploration and evaluation assets

For the year ended October 31, 2016	Beginning Balance (\$)	Acquisition costs (\$)	Exploration costs (\$)	Option extension payments/write offs (\$)	Ending Balance (\$)
Bold Claims	499,847	20	4,266	-	504,133
Wilcorp Project	112,273	-	-	-	112,273
Quebec properties	1,317,099	12,398	313,457	-	1,642,954
	1,929,219	12,418	317,723	-	2,259,360

For the three months ended January 31, 2017	Beginning Balance (\$)	Acquisition costs (\$)	Exploration costs (\$)	Option extension payments/write offs (\$)	Ending Balance (\$)
Bold Claims	504,133	-	-	(21,481)	482,652
Wilcorp Project	112,273	20,349	-	-	132,622
Quebec properties	1,642,954	4,596	117,786	-	1,765,336
	2,259,360	24,945	117,786	(21,481)	2,380,610

(a) Ring of Fire

(i) Dundee Corporation earn-in right

Pursuant to an option agreement dated May 31, 2011 with a subsidiary ("Subco") of Dundee Corporation, Subco had the right to earn up to a 33-1/3% interest in Bold's Ring of Fire properties by funding \$2,500,000 of exploration work by May 31, 2014. Upon expending \$2,500,000 within a three year period, a joint venture is to be formed between the Company and Subco. During the year ended October 31, 2014 the \$2,500,000 spending threshold was met and Subco earned its 33-1/3% interest. The properties that Subco has earned into to date are described in (ii) to (iv) below.

(ii) Ring of Fire Claims

The Ring of Fire Claim blocks, which are currently in an "exclusion of time" with the Ministry of Northern Development and Mines, pending completion of First Nation agreements, were staked to explore areas located to the north and west of the Ring of Fire area of the James Bay Lowlands. Located approximately 550 km north of Thunder Bay, these claim groups are named Areas 55, 55E, 55E1, 55E2, 57 to 63 and 64 to 71.

During the three months ended January 31, 2017 it was decided that no further exploration was warranted on area 72 and 73 and as a result, deferred exploration and evaluation assets incurred in connection with these two areas in the amount of \$21,481 were written off.

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(iii) Koper Lake

Under an agreement dated May 4, 2012 with Fancamp Exploration Limited ("Fancamp"), subject to KWG Resources Inc.'s ("KWG") interest as discussed in (iii) below, the Company has earned a 50% working interest in the Fancamp Ring of Fire property known as the Koper Lake Project. The Koper Lake Project property is situated approximately 530 km north east of Thunder Bay in the James Bay Lowlands of northern Ontario. The agreement called for the Company to make option payments totalling \$1,500,000 and to incur exploration expenditures on the property of at least \$8,000,000 over a 3 year period, which it did under the KWG option agreement during 2016, as discussed in (iii) below.

A further 10% interest may be earned by Bold at any time by delivery of a positive feasibility study and by making a payment of \$700,000 in cash and/or stock at the option of Bold. The Company's President and Chief Executive Officer holds a 2% net smelter royalty interest ("2% NSR") in the four claims that comprise the property pursuant to an agreement with Fancamp dated June 17, 2003 whereby he sold the property to Fancamp and retained the 2% NSR.

In January 2013, the Company signed an agreement with Fancamp giving Bold the option to earn up to a 100% working interest in the Koper Lake property. The agreement provides that once Bold has earned its 60% interest in the Koper Lake property, it will then have two options for a period of 90 days following the date it earns its 60% interest. Under the first option it can earn a further 20% interest by agreeing to pay Fancamp \$15,000,000 payable in equal installments over three years with half of the amount payable in cash and the balance payable, at Bold's option, through the issuance of common shares of Bold, or its assignee, at the market price at the time the shares are issued. If the first option is exercised, Bold would then have the option to acquire Fancamp's remaining interest in exchange for a Gross Metal Royalty. Fancamp would then be entitled to be paid 2% of the total revenue from the sale of all metals and mineral products from the property from the commencement of commercial production. Once all of the capital costs to bring the Koper Lake project to the production stage have been repaid entirely, the gross metal royalty may be scaled up to a maximum of 4% of the total revenue from the sale of all metals and mineral products from the property depending upon the price of product sold.

(iv) KWG Resources Inc. option on the Koper Lake property

In March 2013, and amended October 23, 2015, the Company optioned its interest in the Koper Lake property to KWG. Under the terms of the option agreement, KWG assumed the obligation to make option payments totaling \$1,500,000 and to fund the \$8,000,000 exploration programs planned for the property; and as of September 21, 2016 KWG had met those obligations. As a result on September 21, 2016, the Company earned a 50% working interest in Fancamp's Koper Lake property; KWG earned an 80% interest in Bold's interest in chromite and a 20% interest in Bold's interest in nickel and other non-chromite minerals; at that time KWG was obligated to pay operator fees to the Company which it satisfied with a convertible debenture and 5,000,000 common shares of KWG which the Company has estimated to have a combined value of \$207,143. See Note 6.

KWG can acquire an 80% interest in chromite produced from the Koper Lake property by funding 100% of the costs to a feasibility study leaving Bold and its co-venturer (a subsidiary of Dundee Corporation) with a 20% carried interest, pro rata. For nickel and other non-chromite minerals identified during the exploration programs, the parties have agreed to form a joint arrangement in which KWG would have a 20% participating interest and Bold and its co-venturer (a subsidiary of Dundee Corporation) would have an 80% participating interest, pro rata. KWG will have a right of first refusal to purchase all ores or concentrates produced by such joint arrangement whenever its interest in the joint arrangement exceeds 50%.

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(v) Rencore Claims

Pursuant to an acquisition completed on February 13, 2012, the Company acquired all of the exploration properties and related obligations held by Rencore in the Ring of Fire ("Rencore claims"). The Rencore claims consist of a 100% interest in mineral claims located north-northwest of Thunder Bay. These properties are known as REN 6 and REN 8.

During 2014 it was decided that no further exploration was warranted on REN 6 and REN 8 and as a result deferred exploration and evaluation assets in the amount of \$4,844,340 were written off. When Bold acquired Rencore a value of \$4,844,340 was assigned to the Rencore Claims. Total consideration paid for Rencore was \$5,722,583, which was comprised of the fair value of 28,885,236 shares issued at \$0.18 per share, 2,475,000 options and 5,456,236 common share purchase warrants. The options and warrants had an estimated fair value of \$315,500 and \$207,740 respectively.

Rencore has an option agreement dated May 31, 2011, as amended October 7, 2014, with a subsidiary ("Subco") of Dundee Corporation for Subco to earn a 33-1/3% interest in Rencore's Ring of Fire project by funding \$2,500,000 of exploration work by March 31, 2014 (extended to the date when another exploration program is approved and budgeted for completion). Upon expending \$2,500,000 within the agreed timeline, a joint venture will be formed between Rencore and Subco. Rencore will pay a finder's fee, as funds are expended by Subco pursuant to the option agreement in tranches of \$1,000,000, calculated as 2% of the funds expended satisfied in either common shares of the Company at the market price at the time of issuance, or twice that number of warrants exercisable at the market price for two years, subject to regulatory approval. At January 31, 2017 \$1,371,188 has been spent under this program.

(b) Wilcorp Project

Under an agreement dated February 24, 2012 and five subsequent amendments the Company acquired an option to certain property that is made up of patented claims and a staked mining claim. The option agreement for the patented claims now requires payments of \$8,000 annually on November 6 of each year. A payment of \$8,000 was made on November, 6 2016. The option may be exercised at any time, and the properties acquired, by the payment of \$100,000 to the vendor. The vendor retains a 2% Net Smelter Returns Royalty ("NSR") of which half may be purchased at any time by Bold for \$500,000 cash. Bold retains a right of first refusal on the remaining 1% NSR.

The terms of the agreement for the staked mining claim are a one-time payment of \$12,000. The vendor retains a 1% NSR of which half may be purchased at any time prior to production for a cash consideration of \$500,000. Bold retains a right of first refusal on the remaining 0.5% NSR.

(c) Quebec properties

The Quebec properties consist of claim groups in Grasset Township and an option on Northern Superior Resources Inc.'s 100% owned Lac Surprise property.

On June 5, 2014, the Company announced the signing of an agreement granting Bold an option to earn up to a 60% interest in Northern Superior Resources Inc.'s 100% owned Lac Surprise property. This large property is located approximately 50 Km south of Chapais and within the historic Chibougamau – Chapais gold camp in west central Quebec.

Under the agreement, Bold can earn a 50% working interest in the property by spending an aggregate of \$2,000,000 on exploration of the property and issuing to Northern Superior a total of 350,000 common shares of Bold all over a three year period, 50,000 shares of which were issued upon signing the agreement. Bold is obligated to spend a minimum of \$500,000 (obligation met) on exploration of the property in the first year, at which time a further 50,000 common shares of Bold were issued (issued July 8,

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2015). The second year optional commitment is 100,000 common shares of Bold and \$500,000 in exploration work (obligations met). The third year optional commitment calls for \$1,000,000 in exploration work on the property and the issuance of 150,000 common shares of Bold. Qualifying exploration expenditures made under the agreement total \$1,390,718 at January 31, 2017.

Bold also holds the option to earn an additional 10% in the project by delivering a positive feasibility study within five years from the date of execution of the formal option agreement. If Bold takes up all parts of the option it will have earned a 60% interest in the property.

8. Related party transactions

During the three months ended January 31, 2017 and 2016, the Company had the following related party transactions:

- a. Director's fees, professional fees and other compensation in the amount of \$24,000 (2016 - \$91,000), were paid or payable to directors and key management personnel in the form of short term salaries and benefits; the balance includes Nil (2016 - \$76,000) in stock option benefits.
 - In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.
 - The remuneration of directors and key executives is determined by the compensation committee.
- b. Legal fees in the amount of \$5,403 (2016 - \$7,500) were paid or payable to a law firm whose partner is a director and an officer of the Company.

Included in accounts payable and accrued liabilities at January 31, 2017 was \$12,730 (2016 - \$93,375) owing to directors, and officers, companies owned by directors and officers, and a law firm whose partner is a director and an officer of the Company. These amounts are unsecured, non-interest bearing and due on demand.

During the year ended October 31, 2016, certain officers and directors agreed to accept shares in settlement of obligations owing to them in the amount of \$107,710. A total of 2,154,194 shares were issued with an estimated value of \$0.04 per share, based on the market price of the Company's shares on the date of the transaction. This resulted in a gain on settlement of debt of \$21,542 at that time.

During the year ended October 31, 2016 the Company repaid a loan facility from its president and CEO in the amount of \$111,028 for which the president agreed to accept 2,220,560 shares in settlement of the obligation. The estimated value of the shares was \$0.04 per share, based on the market price of the Company's shares on the date of the transaction. This resulted in a gain on settlement of debt of \$22,206 at that time.

9. Share capital

Authorized and outstanding:

The authorized capital of the Company consists of an unlimited number of common shares with no par value. At January 31, 2017, the Company has 117,400,246 (January 31, 2016 - 84,752,765) common shares issued and outstanding.

(a) Share activity:

During the year ended October 31, 2016, the Company had the following common share activities:

(i) On April 22, and May 6, 2016, the Company closed the following:

- i. Non-brokered private placements totalling 10,172,727 (7,272,727 and 2,900,000 units respectively) flow-through units of the Company. Each flow-through unit consists of one flow-through common share and one common share purchase warrant, with each full warrant entitling the holder to acquire one common share at a price of \$0.05 until two years

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- after the issue date. Gross proceeds on the issue of the flow through units amounted to \$301,500. The Company issued 1,017,272 broker warrants. Each broker warrant entitles the holder to acquire a broker unit at a price of \$0.05 per broker unit, until two years after the issue date, with each unit comprising a common share and a warrant to acquire a common share at \$0.05 until a date that is two years after the issue date.
- ii. Non-brokered private placements of 14,000,000 (10,600,000 and 3,400,000 units respectively) working capital units of the Company at a price of \$0.025 per unit for gross proceeds of \$350,000. Each working capital unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one common share at a price of \$0.05 until a date that is two years after the issue date. The fair value of the warrants was estimated to be \$95,157. The Company issued 1,264,000 broker warrants. Each broker warrant entitles the holder to acquire a working capital unit until two years after the issue date at a price of \$0.05 per working capital unit, with each unit comprising a common share and a warrant to acquire a common share at \$0.05 until a date that is two years after the issue date.
- iii. In connection with the private placements noted in i. and ii. above; \$217,000 was estimated to be the value of the warrants, the estimated fair value assigned to the broker warrants was \$27,952, the Company paid share issue costs of \$86,654, and \$47,182 was the estimated value assigned to the un-renounced flow through share premium.

(ii) Certain officers and directors agreed to accept shares in settlement of debt obligations. See Note 8.

(iii) In satisfaction of an option agreement commitment the Company issued 100,000 common shares with a value of \$5,000 which was the market value on the transaction date.

During the three months ended January 31, 2017, the Company had the following common share activities:

(iv) On December 30, 2016 the Company closed a non-brokered private placement with the sale of 4,000,000 flow-through units ("FT Units") for gross proceeds of \$200,000. Each FT Unit comprises one flow-through common share priced at \$0.05 and one common share purchase warrant ("Warrant"), with each Warrant entitling the holder to acquire one common share at a price of \$0.12 until December 30, 2018. The Company paid a cash finder's fee of \$10,000.

The value of the warrant was estimated at \$80,000 using the Black Scholes pricing model and \$80,000 was the estimated value assigned to the un-renounced flow through share premium.

(b) Warrants

During the year ended October 31, 2016, the Company had the following warrant activity.

(i) The Company issued a total of 24,172,727 warrants in connection with the private placements described in 9(b)(v). The warrants have been valued at \$217,000 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	135%
Risk-free interest rate	0.67%
Expected average life	2 years

During the three months ended January 31, 2017, the Company had the following warrant activity.

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(ii) The Company issued a total of 4,000,000 warrants in connection with the private placements described in 9(b)(iv). The warrants have been valued at \$80,000 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	159%
Risk-free interest rate	0.74%
Expected average life	2 years

A summary of warrant activity for the three months ended January 31, 2017 and the year ended October 31, 2016 is as follows:

	Number of warrants	Weighted-average exercise price (\$)
Balance, October 31, 2015	20,615,196	0.086
Warrants issued under private placements	26,453,999	0.050
Warrants expired	(144,426)	0.250
Balance, October 31, 2016	46,924,769	0.065
Warrants issued under a private placement	4,000,000	0.050
Balance, January 31, 2017	50,924,769	0.064

As at January 31, 2017, the following common share purchase warrants were outstanding:

Expiration date	Number of Warrants	Exercise Price (\$)
10,17-July-18	13,790,770	0.100
22-Jun-17	2,900,000	0.060
21-July-20	3,780,000	0.050
22-Apr-2018 and 6-May-2018	26,453,999	0.050
30-Dec-18	4,000,000	0.050
Balance, January 31, 2017	50,924,769	0.064

(c) Broker Warrant units

As at January 31, 2017, the following broker warrant units were outstanding:

Expiration date	Number of Broker Warrant units	Exercise Price (\$)
10-July-18	648,162	0.065
17-July-18	373,377	0.065
21-July-20	280,000	0.050
22-April-2018 and 6-May-2018 (i)	2,281,272	0.050
Balance, January 31, 2017	3,582,811	0.063

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(i) On April 22, 2016, broker warrant units to acquire 2,281,272 working capital units were issued. Each broker warrant unit is priced at \$0.05 and entitles the holder to acquire one common share, and a warrant to acquire one common share at a price of \$0.05 per common share, for a period of two years from closing. The broker warrants have been valued at \$27,952 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	135%
Risk-free interest rate	0.67%
Expected average life	2 years

(d) Options

The Company has established a stock option plan pursuant to which options to purchase common shares may be granted to certain officers, directors, and employees of the Company as well as persons providing ongoing services to the Company. The maximum number of common shares reserved for issuance upon the exercise of options is not to exceed 10% of the total number of common shares outstanding immediately prior to such an issuance. Under the plan, the Board of Directors has the choice of either vesting or allowing options issued to be exercisable upon issuance. Options are normally issued for a five-year term.

During the year ended October 31, 2016, the Company had the following option activity:

(i) On January 4, 2016 5,075,000 options were granted, exercisable at \$0.05, and vested immediately. The options expire on January 4, 2021, and have been valued at \$101,500 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	135%
Risk-free interest rate	0.61%
Expected average life	5 years

(ii) During the years ended October 31, 2016 800,000 options expired with an original fair value of \$84,000 which amount was relieved from contributed surplus and reduced the deficit.

During the three months ended January 31, 2017, the Company had the following option activity:

(iii) On November 1, 2016 100,000 options were granted, exercisable at \$0.05, and vested immediately. The options expire on July 25, 2021, and have been valued at \$4,000 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	143%
Risk-free interest rate	0.65%
Expected average life	5 years

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Stock option activities are summarized as follows:

	Number of options	Weighted-average exercise price (\$)
Balance October 31, 2015	2,050,000	0.24
Granted	5,075,000	0.05
Expired	(800,000)	0.15
Balance October 31, 2016	6,325,000	0.09
Granted	100,000	0.05
Balance January 31, 2017	6,425,000	

The following table summarizes stock options outstanding and exercisable under the plan at January 31, 2017:

Options outstanding and exercisable		
Number outstanding	Expiry date	Weighted average exercise price (\$)
1,050,000	July 20, 2017	0.25
100,000	October 9, 2017	0.20
100,000	April 5, 2018	0.15
5,075,000	January 4, 2021	0.05
100,000	July 25, 2021	0.05
6,425,000		0.09

10. Capital management

The Company's objective when managing capital, defined as its equity, is to safeguard its ability to continue as a going concern, and to pursue the exploration and evaluation of its properties. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets, and seeks to retain sufficient equity to ensure that cash flows from assets will be sufficient to meet future cash flow requirements. In order to maintain or adjust the capital structure, the Company may from time to time issue shares and adjust its capital spending. The Company is subject to flow-through obligations to investors, which require it to use the funds raised through the issue of "flow-through shares" on exploration expenditures. To assess capital and operating efficiency and financial strength, the Company continually monitors its net cash and working capital. The Company's capital management objectives, policies and processes have remained unchanged during the periods ended January 31, 2017 and 2016.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body.

11. Financial instruments and risk management

The carrying amounts for cash, amounts receivable, accounts payable and accrued liabilities, and loan from a shareholder approximate their estimated fair value due to the short term nature of these financial instruments.

Cash and amounts receivable, are classified as loans and receivables and are recorded at amortized cost, which upon their initial measurement is equal to their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

Cash equivalents, marketable securities and the conversion feature on the convertible debenture are classified as FVTPL and are measured at fair value.

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Accounts payable and accrued liabilities, and loan from a shareholder are classified as other financial liabilities and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

The Company's financial instruments that are carried at fair value consist of cash equivalents, marketable securities and the conversion feature on the convertible debenture. The marketable securities have been classified as level 1 while the cash equivalents and the conversion feature on the convertible debenture do not have quoted market prices and have been classified as level 2 within the fair value hierarchy.

The Company's risk exposures and the impact on its financial investments, as summarized below, have not changed significantly during the period.

Credit Risk

The Company's credit risk is primarily attributable to amounts receivable. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to the financial instrument included in amounts receivable is remote.

Liquidity Risk

The Company's main source of liquidity is derived from its common stock issuances. As at January 31, 2017, the Company had current assets of \$367,603 (October 31, 2016 - \$269,423) to settle current liabilities of \$280,207 (October 31, 2016 - \$97,704). The Company's financial liabilities generally have contractual maturities that are subject to normal trade terms.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances and interest bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company monitors its cash balances and is satisfied with the creditworthiness of its banks. As a result, the Company's exposure to interest rate risk is minimal.

Market Risk

Foreign Currency Risk

The Company's functional and reporting currency is the Canadian dollar and all expenditures are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. As the Company's properties are in the exploration stage and to date do not contain any identified mineral resources or reserves, the Company does not hedge against commodity price risk.

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve month period:

- (i) The Company receives low interest rates on its cash and cash equivalent balances and, as such, the Company does not have significant interest rate risk.
- (ii) A change in the interest rate on the loan from a shareholder of 1% would not have a significant impact on these financial statements.
- (iii) The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

12. Commitments and contingencies

The Company's exploration and evaluation activities are subject to government laws and regulations, including tax laws, and laws and regulations governing the protection of the environment. The Company

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believes that its operations comply in all material respects with all applicable past and present laws and regulations. The Company records provisions for any identified obligations, based on management's estimate at the time. Such estimates are, however, subject to changes in laws and regulations.

The Company has indemnified the subscribers of flow-through share offerings pursuant to subscription agreements with investors for amounts that may become payable by the shareholder as a result of the Company not having met its expenditure commitments on qualified items.

In April and May and December 2016, the Company issued flow through shares in amounts totaling \$501,500 and committed to spend that amount on exploration activities. The Company has spent \$419,636 as at January 31, 2017.

On May 26, 2015, a legal action in the amount of \$500,000 was commenced by the Crown against the Company, and three other parties, for damages arising from a forest fire that the parties to the suit are alleged to be responsible for. The Company does not believe it is liable; however, the Company believes that it has sufficient insurance coverage to pay any amounts that it may be found liable for.