MANADO GOLD CORP.
(An Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
(Unaudited, prepared by management)

MARCH 31, 2018

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements for Manado Gold Corp. (the "Company") have been prepared by management in accordance with International Financing Reporting Standards (IAS 34). These condensed financial statements, which are the responsibility of management are unaudited and have not been reviewed by the Company's auditors. The Company's Audit Committee and Board of Directors has reviewed and approved these interim financial statements.

The Company's independent auditors have not performed a review of these interim condensed financial statements in accordance with the disclosure requirements of National Instruments 51-102 released by the Canadian Securities Administrators.

MANADO GOLD CORP.
(An Exploration Stage Company)
INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)
(Unaudited, prepared by management)

	March 31, 2018	June 30, 2017
ASSETS		
Current assets		
Cash	$ 8,712	$ 19,219
Accounts receivable	8,172	15,547
Marketable Securities	-	12,000
	16,884	46,766
Reclamation bond (Note 6)	45,261	45,261
Mineral properties (Note 6)	1	1
Total assets	$ 62,146	$ 92,028
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 207,225	$ 135,308
	207,225	135,308
Shareholders' equity		
Share capital (Note 8)	3,061,336	2,911,336
Subscriptions Received	65,000	45,000
Contributed surplus	484,727	484,727
Deficit	(3,756,142)	(3,484,343)
	(145,079)	(43,250)
Total liabilities and shareholders' equity	$ 62,146	$ 92,028

Nature of operations and going concern (Note 1)

Approved and authorized by the Board on May 30, 2018

"Donald Archibald" Director *"David Ryan"* Director

MANADO GOLD CORP.
(An Exploration Stage Company)
INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
(Unaudited, prepared by management)

	Nine month period ended March 31, 2018	Nine month period ended March 31, 2017	Three month period ended March 31, 2018	Three month period ended March 31, 2017
EXPENSES				
Office and General	44,737	55,710	24,659	23,354
Professional fees	80,160	108,016	16,341	10,508
Management Fees	54,000	54,000	18,000	18,000
Directors Fees	45,000	45,000	15,000	15,000
Loss on marketable securities	6,195			
Exploration-Mexico	41,995		-	
Total operating loss	272,087	262,726	74,000	66,862
Income on sale of shares	-	17,788	-	3,934
Interest	288	286	82	77
Loss and comprehensive loss for the period	$ 271,799	$ 244,652	$ 73,748	$ 62,851
Deficit, Beginning of period	3,484,343	3,050,573	3,682,394	3,232,374
Deficit, End of period	3,756,142	3,295,225	3,756,142	3,295,225
Loss per share – basic and diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Basic and diluted weighted average number of common shares outstanding	11,748,520	10,228,520	11,748,520	10,228,520

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

MANADO GOLD CORP.
(An Exploration Stage Company)
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
(Unaudited, prepared by management)

	Nine Months Ended March 31, 2018	Nine Months Ended March 31, 2017
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Net loss for the period	$ (271,799)	$ (244,652)
Item not affecting cash:		
Write-down of mineral properties	-	-
Reclamation Bond	-	(90)
Changes in non-cash working capital items:		
Taxes receivable	-	-
Accounts payable and accrued liabilities	71,917	(8,481)
Accounts receivable	7,375	(38,825)
Marketable Securities	12,000	35,000
Net cash used in operating activities	(180,507)	(257,048)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Mineral property costs	-	(18,051)
Net cash used in investing activities	-	(18,051)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common shares	150,000	300,000
Subscriptions received	20,000	
Net cash from financing activities	170,000	300,000
Increase (decrease) in cash	(10,507)	24,901
Cash, beginning of period	19,210	34,092
Cash, end of period	$ 8,712	$ 58,993
NON-CASH INVESTING ACTIVITIES		
Shares issued for mineral properties	$ -	$ 3,000

There were no other non-cash financing or investing activities during the nine month period ended March 31, 2018 or 2017.

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

MANADO GOLD CORP.
(An Exploration Stage Company)
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)
(Unaudited, prepared by management)

	Number of Common Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance at June 30,2016	**7,238,520**	**2,609,766**	**435,004**	**(3,050,573)**	**(6,915)**
Shares issued in private placement	3,000,000	300,000			300,000
Issued for property	10,000	3,000			3,000
Loss for the period	-	-	-	(244,652)	(244,652)
Balance at March 31, 2017	**10,228,520**	**$ 2,948,580**	**$ 435,004**	**$ (3,295,225)**	**51,433**
Balance July 1, 2017	**10,248,520**	**2,911,336**	**484,727**	**(3,484,343)**	**(43,250)**
Shares issued in Private placement	1,500,000	150,000		**-**	**150,000**
Loss for the period	-	-		271,799	(271,799)
Balance March 31, 2018	**11,748,520**	**$ 3,061,336**	**$ 484,727**	**$ (3,756,142)**	**(145,079)**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Manado Gold Corp. (the "Company" or "Manado") was incorporated on August 13, 2010 in British Columbia, and its business is the acquisition, exploration and development of mineral properties located in Canada.

The Company's head office is located at Suite 1085, Bentall Two, P.O. Box 201, 555 Burrard Street, Vancouver BC V7X 1M8.

The consolidated financial statements of the Company are presented in Canadian dollars which is the functional currency of the Company.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These consolidated financial statements have been prepared on the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

At a shareholder meeting held on June 20, 2016, the shareholders of the Company approved a consolidation of the Company's shares at a ratio of ten (10) pre-consolidation shares to one (1) post-consolidation shares, subject to the acceptance of the TSX Venture Exchange (TSX-V"). The Company's share capital was consolidated on August 26, 2016 and pursuant to International Accounting Standard 33, all of the share and per shares amounts have been adjusted retrospectively within these consolidated financial statements.

At the date of the financial statements, the Company has not identified a known body of commercial grade mineral on any of its properties. The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. In order to continue as a going concern and meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, and other business and financial transactions which would assure continuation of the Company's operation and exploration programs. In addition, management closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur.

The Company will need additional capital to operate throughout the current year and in future years. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

a) Statement of compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

2. BASIS OF PREPARATION (cont'd…)

a) Statement of compliance (cont'd...)

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of March 31, 2018. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended June 30, 2017. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending June 30, 2018 could result in restatement of these unaudited condensed interim financial statements.

b) Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis except for financial instruments which are classified as at fair value through profit or loss which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for the cash flow information.

c) Principles of consolidation

The Company's wholly owned subsidiary, MDO Mining Corp. (MDO), was incorporated on July 20, 2015 in British Columbia to accommodate a proposed spinoff which did not occur. As at March 31, 2018 MDO holds title to the Company's mineral properties, but is otherwise inactive. All significant intercompany balances and transactions were eliminated on consolidation.

d) Interim Financial Statements

These interim condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual financial statements of the Company for the year ended June 30, 2017. Accordingly, the interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended June 30, 2017.

2. BASIS OF PREPARATION (cont'd…)

c) Significant Accounting Estimates and Judgments

The preparation of the financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impact of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates:

- The carrying value and the recoverability of mineral properties;
- Deferred income taxes; and
- Share-based payments.

Critical accounting judgments

Examples of significant judgments, apart from those involving estimation, include:

- The accounting policies for mineral properties; and
- Classification of financial instruments.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these condensed interim financial statements are as follows:

a) Mineral properties

Mineral properties are carried at cost. The Company is an early stage exploration company with no known mineral reserves or production.

Pre-exploration costs are expensed in the period in which they are incurred.

Once the legal right to explore has been acquired, costs directly related to mineral properties, are capitalized, in addition to acquisition costs. These direct expenditures include such costs as materials used, staking costs, drilling costs, and payments made to contractors. Costs not directly attributable to mineral properties, including general administration and overhead costs are expensed in the period in which they occur.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

a) Mineral properties (cont'd...)

The Company may enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration for an agreement by the transferee to meet certain mineral properties expenditures which would have otherwise been undertaken by the Company. The Company will not record any expenditure made by the farmee on its behalf. Any cash consideration received from the agreement will be credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess or shortfall of cash accounted for as a gain or loss.

Expenditures for each mineral property are carried forward as an asset provided that one of the following conditions is met;

i) Such costs are expected to be recouped in full through successful development and exploration of the mineral property or alternatively, by sale; or

ii) Activities in the mineral property have not reached a stage which permits a reasonable assessment of the existence of economically recoverable reserves, however active and significant operations in relation to the mineral property are continuing, or planned for the future.

The carrying values of capitalized amounts are reviewed annually, or when indicators of impairment are present. In the case of undeveloped properties, there may be only inferred resources to allow management to form a basis for the impairment review. The review is based on the Company's intentions for the development of such a property. If a mineral property does not prove viable, all unrecoverable costs associated with the property are charged to profit or loss at the time the determination is made.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mining assets". Mineral property expenditures accumulated are also tested for impairment before the mineral property costs are transferred to development properties.

b) Impairment of tangible and intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

c) Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. Since the Company has losses, the exercise of outstanding stock options and warrants has not been included in this calculation as it would be anti-dilutive.

d) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences do not result in deferred tax assets or liabilities: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect both accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

e) Provisions

Provisions are liabilities that are uncertain in timing or amount. The Company records a provision when and only 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

e) **Provisions** (cont'd…)

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities include: restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

The Company does not have any known rehabilitation obligations.

f) Financial instruments

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

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

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's risk management strategy. Attributable transaction costs are recognized in profit or loss when incurred. FVTPL are measured at fair value, and changes are recognized in profit or loss.

Held-to-maturity ("HTM")

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the asset is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted on an active market. Such assets are initially recognized at fair value plus any direct attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

f) Financial instruments (cont'd...)

Available-for-sale ("AFS")

Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in profit or loss.

The Company classified its financial assets as follows:

- Cash is classified as FVTPL;
- Advances – Amalgamation Agreement is classified as loans and receivables; and
- Reclamation bond is classified as HTM.

Financial liabilities

Financial liabilities are classified into one of two categories:

Fair value through profit or loss

This category comprises derivatives, or liabilities, acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities

This category includes accounts payable and accrued liabilities, all of which are recognized at amortized cost.

The Company classified its financial liabilities as follows:

- Accounts payable and accrued liabilities is classified as other financial liabilities.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been impacted.

For all financial assets objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organization.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

f) Financial instruments (cont'd...)

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

g) Share-based payments

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

h) Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants ("Warrants"). Depending on the terms and conditions of each equity financing agreement ("Agreement"), the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement.

Warrants that are part of units are assigned value using the residual value method and included in share capital with the common shares that were concurrently issued.

The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

h) Warrants issued in equity financing transactions (cont'd…)

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as a warrant reserve.

Warrants that are issued as payment for agency fees or other transactions costs are accounted for as share-based payments.

i) Flow-through common shares

The Company will, from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being renounced, the Company derecognizes the liability and the premium is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. Where applicable, this tax is accrued as a financial expense until paid.

j) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in the making of financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

k) Change in accounting policies

During the nine month period ended March 31, 2018, the Company adopted certain new accounting standards and pronouncements, none of which had a material impact on the Company's financial statements.

The following standard has been issued but is not yet effective:

IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

k) Change in accounting policies (cont'd...)

There are no other standards or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

4. CAPITAL DISCLOSURES

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity totaling ($145,079) as capital. 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. In order to maintain or adjust its capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the nine month period ended March 31, 2018.

5. FINANCIAL INSTRUMENTS AND RISKS

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, and currency risk. The carrying value of the Company's financial instruments approximates their fair value due to their short term nature.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term maturity.

b) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and HST receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

The Company's cash is held with a major Canadian based financial institution. Receivables mainly consist of harmonized sales tax due from the government of Canada.

c) Liquidity risk

Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company addresses its liquidity through equity financing obtained through the sale of common shares and the exercise of warrants and options. As at March 31, 2018, the Company was holding cash of $8,712 and had a working capital deficit of ($190,341). The Company's accounts payable and accrued liabilities are due in the short term and as a result the Company will need to raise additional funds in order to meet its ongoing obligations.

(Expressed in Canadian dollars)

5. FINANCIAL INSTRUMENTS (cont'd…)

d) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates in Canada and is not exposed to currency risk.

e) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. The ability of the Company to explore its mineral properties and future profitability of the Company are directly related to the market price of commodities. The Company monitors commodity prices to determine appropriate actions to be undertaken.

f) Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

6. MINERAL PROPERTIES

		Clisbako Claims		Takla Claims		Total
Balance June 30, 2016		1		1		2
Permitting costs				3,051		3,051
Acquisition costs				18,000		18,000
Balance March 31, 2017	**$**	**1**	$	**21,052**	**$**	**21,053**
Balance July 1, 2017		1		-	$	1
Balance March 31, 2018	**$**	**1**		-	**$**	**1**

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

6. MINERAL PROPERTIES (cont'd…)

a) Takla Claims

On September 23, 2013 the Company entered into an option agreement with CJL Enterprises Ltd. ("CJL") to acquire a 100% undivided interest in the Takla Claims covering approximately 4,197 hectares located in the Omineca Mining Division of British Columbia. Under the terms of the option agreement the Company agreed to the following:

1. Paying an aggregate of $150,000 as follows:

    a) $10,000 on approval by the TSX of the agreement (paid);
    b) A further $20,000 on September 30, 2014 (paid);
    c) A further $30,000 on September 30, 2015 (not paid – see below);
    d) A further $40,000 on September 30, 2016; and
    e) A further $50,000 on September 30, 2017.

2. Issuing an aggregate of 600,000 shares as follows:

    a) 100,000 on approval by the TSX (issued);
    b) A further 100,000 on September 30, 2014 (issued);
    c) A further 100,000 on September 30, 2015 (not issued – see below);
    d) A further 100,000 on September 30, 2016; and
    e) A further 200,000 on September 30, 2017.

On August 27, 2015, the Company renegotiated the terms of the agreement with CJL whereby the parties have agreed to revise the remaining payments as follows:

    a) $15,000 payment (paid) on September 30, 2015;
    b) $15,000 payment on September 30, 2016 and 100,000 shares; and
    c) $50,000 payment on September 30, 2017 and 200,000 shares.

3. Incurring exploration expenditures of $250,000 on the property before September 30, 2015 (incurred).

In addition, CJL will retain a 2% net smelter return royalty (the "Royalty") on the Property. The Company may repurchase each 1% of the Royalty by making separate cash payments of $1,000,000 to CJL. Commencing on the fifth anniversary of the Agreement, the Company will be required to pay to CJL an annual advanced royalty payment of $10,000 (which CJL may elect to receive common shares of the Company). All advance royalty payments will be credited to and recoverable from any future Royalty payable to CJL. The advance royalty payment will cease upon commencement of commercial production.

On commencement of commercial production, the Company will be required to issue an additional 200,000 shares.

The Company obtained acceptance of the agreement from the TSX Venture Exchange on September 26, 2013.

During the nine month period ended March 31, 2016, the Company wrote down the value of the Takla Claims to $1 to reflect the effect of the continued decline in the market and the fact that the Company does not have any planned budgets surrounding the project's continued exploration.

6. MINERAL PROPERTIES (cont'd…)

a) Takla Claims (cont'd…)

As at March 31, 2018, the Company held a reclamation deposit in the amount of $ 40,180 (June 30, 2017 - $40,180), in an interest bearing account, with respect to the Takla Claims.

b) Clisbako Claims

On September 15, 2010, the Company entered into an option agreement with the subsidiary of Pengram Corporation ("Pengram"), whereby the Company was granted an option to acquire a 75% interest in the Clisbako Property located in the Cariboo mining division of British Columbia. Under the terms of the Option Agreement, the Company agreed to the following:

1. Paying an aggregate of US$150,000 as follows:

   a) US$50,000 on execution of the agreement (paid);
   b) A further US$50,000 on or before February 28, 2011(paid); and
   c) A further US$50,000 on or before April 30, 2011. (This was waived on April 30, 2011, in exchange to terminate the option agreement with respect to the Manado Gold property, Sulawesi Indonesia).

2. Issuing an aggregate of 600,000 shares as follows:

   a) 100,000 shares on or before September 15, 2011 (issued);
   b) A further 200,000 shares on or before September 15, 2012 (issued); and
   c) A further 300,000 shares on or before September 15, 2013 (issued).

3. Incurring exploration expenditures of $650,000 on the Clisbako Property as follows:

   a) $100,000 on or before September 15, 2011 (incurred);
   b) A further $300,000 on or before September 15, 2012 (incurred); and
   c) A further $250,000 on or before September 15, 2013 (see below).

The Company will also be responsible to make all government payments required to keep the claims in good standing.

On September 13, 2013 Pengram accepted the total exploration expenditures incurred to date as full and final satisfaction of the Company's remaining requirement and confirmed that the option had been exercised and the Company holds an undivided 75% interest in the Clisbako claims.

During the six month period ended December 31, 2015, the Company wrote down the value of the Clisbako Claims to $1 to reflect the effect of the continued decline in the market and the fact that the Company does not have any planned budgets surrounding the project's continued exploration. The Company intends on spinning the property out to a newly incorporated subsidiary entity in early 2016 (Note 10 and 12).

As at March 31, 2018, the Company held a reclamation deposit in the amount of $ 5,081 (June 30, 2017 - $5,081), in an interest bearing account, with respect to the Clisbako Claims.

7. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all Directors and Officers of the Company to be key management personnel.

Related party transactions during the six month period ended March 31, 2018 and not disclosed elsewhere in these financial statements are as follows:

a) Paid or accrued $45,000 (2017 - $45,000) for management fees to a company controlled by a director.

b) Paid or accrued $9,000 (2017 - $9,000) for management fees to a director.

c) Paid or accrued $45,000 (2017 - $45,000) of directors' fees to five directors.

d) Paid or accrued $9,000 (2017 - $9,000) of investor relations' fees to a director.

e) Included in accounts payable and accrued liabilities is $77,000 (March 31, 2017 -$33,000) owed to directors.

8. SHARE CAPITAL

Authorized share capital

Unlimited common shares without par value
Unlimited preferred shares without par value

Escrow Shares

3,100,001 common shares issued at inception were held in escrow and were to be released on a staged basis, with 10% to be released on the date the Company's shares are posted for trading on the TSX Venture Exchange and 15% to be released every six months thereafter for a period of thirty-six months.

As of June 30, 2017 and March 31, 2017 and 2018 the Company had no common shares remaining in escrow.

Issued during the nine month period March 31, 2018

Issued 1,500,000 units for gross proceeds of $150,000. Each unit consists of one common share and one share purchase warrant, with each warrant entitling the holder to acquire one additional common share at a price of $0.15 per share if exercised within the first six months and at a price of $0.25 per share if exercised within months seven through eighteen from the issue date.

Issued during the nine month period March 31, 2017

a) The Company issued 10,000 shares for the Takla Claims at a deemed value of $3,000

b) On October 25, 2016, the Company closed a non-brokered private placement for a total of 3,000,000 units at a price of $0.10 per unit for gross proceeds of $300,000. Each unit consists of one common share and one share purchase warrant, with each warrant entitling the holder to acquire one additional common share at a price of $0.15 per share for a period of 2 years.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (cont'd…)

Warrants

	Number of Warrants	Weighted Average Exercise Price
Balance July 1,2016	4,697,050	
Issued	3,000,000	$ 0.15
Expired	(116,000)	
Balance March 31, 2017	7,581,050	$ 0.49
Balance July 1, 2017	7,387,050	
Expired	(1,377,000)	
Issued	1,500,000	
Balance March 31, 2018	7,510,050	0.33

As of March 31, 2018, the following warrants are outstanding:

Expiry Date	Number of warrants	Exercise price	Remaining life in years
June 16, 2018	3,010,050	$0.50	0.21
October 25, 2018	3,000,000	$0.15	0.57
September 13, 2019	1,500,000	$0.15/0.25	1.40
Total	7,510,050	0.33	

(Expressed in Canadian dollars)

8. SHARE CAPITAL (cont'd…)

Stock options

The Company adopted a stock option plan (the "Stock Option Plan") under which the Company can grant options to directors, officers, employees and consultants for up to 10% of the issued and outstanding common shares. Under the Stock Option Plan, the exercise price of an option may not be less than the closing market price during the trading day immediately preceding the date of the grant of the option, less any applicable discount allowed by the TSX Venture Exchange. The options can be granted for a maximum term of ten years and vest at the discretion of the Board of Directors.

	Number of Options	Weighted Average Exercise Price
Outstanding, June 30, 2016	120,000	$ 1.50
Cancelled or expired	(120,000)	1.50
Granted	600,000	0.105
Outstanding, June 30, 2017	600,000	0.105
Outstanding, March 31, 2018	600,000	$ 0.105

As of March 31, 2018 the following stock options are outstanding:

Expiry Dates	Number of option outstanding	Number of options exercisable	Exercise price	Remaining life in years
November 7, 2019	600,000	600,000	$ 0.105	1.83

9. SEGMENTED INFORMATION

The Company currently conducts substantially all of its operations in one business segment being the acquisition and exploration of a resource property which is located in Canada.

10. PROPOSED INCOMPLETED AMALGAMATION

The Company's directors have approved a reorganization of the Company consisting of:

1) An amalgamation (the "Amalgamation") pursuant to an Agreement dated effective September 8, 2015 between Manado and RewardStream Inc. ("RewardStream") to create an amalgamated entity called RewardStream Solutions Inc. ("Solutions"); and

2) Creation of a newly incorporated entity for purposes of spinning out (the "Spinoff") of Manado's mineral properties immediately preceding the Amalgamation. The new subsidiary, MDO Mining Corp. (the "Subsidiary"), will issue shares to the shareholders of Manado based on transfer of the title of the mineral properties. The Spinoff will be on the basis of one share of the Subsidiary for every 10 shares of Manado held, and is being completed to facilitate the change of business for Manado based on completion of the Amalgamation.

The Amalgamation will constitute a reverse takeover and will be completed on the following basis:

1) Manado shareholders will receive one share of Solutions for each 4 shares of Manado held; and
2) RewardStream shareholders will receive 3.5 shares of Solutions for each share of RewardStream held.

Completion of the Amalgamation is subject to a number of conditions including:

a) Completion of the transfer of Manado's mineral properties to the Subsidiary pursuant to the Spinoff and the assumption by the Subsidiary of all obligations related to Manado's mineral properties;
b) Completion of two part and parcel private placements including:

    i) An interim private placement (the "Interim Private Placement") of 13,050,000 units at a price of $0.05 per unit, with each unit consisting of one common share and one common share purchase warrant exercisable to purchase an additional common share at a price of $0.075 per share for a period of two years from the date of issuance. The Company will pay commissions or finder's fees of up to 10% of the gross proceeds. The Interim Private Placement will be completed prior to closing to provide interim financing from Manado to RewardStream of $500,000 and to pay costs of the reorganization. During the three month period ended September 30, 2015, the Company completed the first tranche of the Interim Private Placement (Note 8) and subsequent to period end the Company completed the second and final tranche (Note 12). Placees of the Interim Private Placement will participate in the Spinoff.

    ii) A subsequent private placement to be completed concurrently with closing of the Amalgamation (the "Concurrent Private Placement") consisting of 5,360,000 units of Solutions at a price of $0.28 per unit with each unit consisting of one common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to purchase an additional common share of Solutions at a price of $0.40 per share for a period of two years from the date of issuance.

10. PROPOSED INCOMPLETED AMALGAMATION (cont'd…)

The Company has entered into a letter of engagement with Mackie Research Capital Corporation (the "Agent") whereby the Agent has agreed to act as lead agent on a commercially reasonable efforts basis for the Concurrent Private Placement. Manado has agreed to pay the Agent a commission equal to 7% of the gross proceeds of any units sold under the Concurrent Private Placement. The Agent will also be granted non-transferable option (the "Agent's Option") to purchase up to 10% of the number of units sold under the Brokered Private Placement at an exercise price of $0.28 per unit for a period of 24 months from the date of closing of the Concurrent Private Placement. Each unit will consist of one common share of Solutions and one non-transferable share purchase warrant, having the same terms as the warrants sold in the Concurrent Private Placement.

In addition, the Agent will also receive a customary corporate finance fee of cash and Solutions' shares. Also, Manado has agreed to pay the expenses reasonably incurred by the Agent in connection with the Concurrent Private Placement. The Agent has the option (the "Over-Allotment Option"), exercisable in whole or in part at closing and for a period of up to 30 days following the closing date, to increase the size of the Offering by up to an additional 15% of the issued units.

All securities issued in connection with the Concurrent Private Placement will be subject to a hold period expiring four months and one day from the date of issuance.

The proceeds of the Concurrent Private Placement will be to fund the marketing efforts of Solutions and for general corporate purposes.

c) Shareholder approval from both companies (completed);

d) Termination of all Manado and RewardStream option agreements (completed);

e) Exercise of all RewardStream outstanding warrants (completed);

f) The entry by RewardStream shareholders into such escrow agreements as may be required by the TSX Venture Exchange and the entry of RewardStream shareholders who are not required to be escrowed into pooling agents providing for releases of shares over a one-year period;

g) The advance of $500,000 by way of loans to RewardStream from Manado, (completed (Note 12));

h) Regulatory approvals, including TSX Venture Exchange approval; and

i) The payment by Manado of all amounts owed to Manado directors and officers.

Immediately prior to the Amalgamation closing, Manado will have 68,375,201 shares outstanding which will be converted into 17,093,800 shares of Solutions (approximately 30%) and RewardStream will have 11,612,576 shares outstanding which will convert into 40,644,016 shares of Solutions (approximately 70%). After completion of the concurrent private placement, the total shares of Solutions outstanding will be 63,097,816. On closing, the former shareholders of RewardStream will hold approximately 64.5% of Solutions, the former shareholders of Manado will hold approximately 27% of Solutions and the Concurrent Private Placement will represent approximately 8.5% of the shares of Solutions then outstanding.Solutions is also obligated to issue 900,000 post-amalgamation common shares and pay $35,000 associated with finder's fees pursuant to the Amalgamation Agreement.

10. PROPOSED INCOMPLETED AMALGAMATION (cont'd…)

On April 8, 2016 the Company announced that it had received notice from RewardStream terminating the Amalgamation, due to the Company being unable to complete the Concurrent Private Placement, which was a condition of closing.

On April 21, 2016 the Company announced that it has entered into a Loan Debt Assignment and Extension Agreement (the "Agreement") with RewardStream and an individual at arms-length to both parties (the "Optionor"). The Agreement related to the $500,000 which was advanced to RewardStream in connection with the Amalgamation. The advances were evidenced by a promissory note issued on September 25, 2015 in the principal amount of $200,000 ("Promissory Note #1") and a promissory note issued on November 12, 2015 in the principal amount of $300,000 ("Promissory Note #2") (collectively, the "Promissory Notes").

Under the terms of the Agreement, the Company extended the maturity dates of the Promissory Notes to October 31, 2016. In addition, the Optionor purchased Promissory Note #2 from the Company for a one-time payment of $150,000.

The Company also granted the Optionor the option to purchase Promissory Note #1 and any interest accrued in exchange for 400,000 common shares of the resulting issuer following the proposed business combination of Musgrove Minerals Corp. ("Musgrove") and RewardStream (the "Musgrove Amalgamation") . The option was exercisable until the earlier of seven business days following completion of the Musgrove Acquisition, and October 31, 2016. The Optionor notified the Company of the intent to exercise the option, and 400,000 shares of the resulting issuer were received subsequent to June 30, 2016. The shares were valued consistently with a financing completed concurrently with the Musgrove Amalgamation ($0.125), for a total fair value of $50,000 on receipt.

Both the Company and RewardStream mutually released each other from any and all liabilities arising from the terminated Amalgamation.