
Condensed interim financial
statements of
Maple Gold Mines Ltd.
(An Exploration Stage Company)
(unaudited)

March 31, 2018

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Notice to Reader

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

Maple Gold Mines Ltd.**Condensed interim statement of financial position**

As at March 31, 2018

(Unaudited)

(Expressed in Canadian dollars)

	Notes	March 31, 2018	December 31, 2017
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	3	3,253,634	5,905,140
Sales taxes receivable	4	961,829	444,157
Prepaid expenses and deposits		462,992	386,821
		4,678,455	6,736,118
Property and equipment		264,091	266,608
		4,942,546	7,002,726
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		4,466,983	1,804,355
Flow-through share premium liability	6	—	1,475,434
Lease inducement - current portion		11,880	3,483
Payable to Revenue Quebec	7	398,894	474,789
		4,877,757	3,758,061
Non-current liabilities			
Lease inducement		88,952	76,590
Provision for site reclamation and closure		50,384	50,384
		5,017,093	3,885,035
(Deficiency) equity			
Share capital	8	40,992,287	40,455,261
Reserves	8	10,672,053	10,732,663
Deficit		(51,738,887)	(48,070,233)
		(74,547)	3,117,691
		4,942,546	7,002,726
Contingencies	12		
Subsequent events	4 and 13		

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

Approved by the Board

(signed) B. Matthew Hornor _____ Director

B. Matthew Hornor

(signed) Jay Chmelauskas _____ Director

Jay Chmelauskas

Maple Gold Mines Ltd.**Condensed interim statement of loss and comprehensive loss**

Three month period ended March 31, 2018 and 2017

(Unaudited)

(Expressed in Canadian dollars)

		March 31, 2018 (3 months)	March 31, 2017 (3 months)
	Notes	\$	\$
Operating expenses (income)			
Exploration and evaluation expenses	5	3,998,555	2,896,556
General and administrative	9	1,148,096	531,698
Finance and other income		(18,830)	(4,199)
Finance expense		939	815
Amortization of flow-through share premium	6	(1,475,434)	—
Loss on disposition of property and equipment		15,328	—
Loss on sale of marketable securities		—	106,767
Loss for the period		3,668,654	3,531,637
Other comprehensive income			
Items that will be reclassified subsequently to income			
Net change in available for sale financial assets		—	(208,918)
Other comprehensive income for the period		—	(208,918)
Total comprehensive loss for the period		3,668,654	3,322,719
Basic and diluted loss per share		0.02	0.03
Weighted average number of common shares outstanding (basic and diluted)		182,975,267	133,335,441

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

Maple Gold Mines Ltd.

Condensed interim statement of changes in (deficiency) equity

Three month period ended March 31, 2018 and 2017

(Unaudited)

(Expressed in Canadian dollars, except share amounts)

Equity attributable to shareholders

	Share capital		Reserves		Accumulated other comprehensive loss	Deficit	Total
	Number	Amount	Share-based payments reserve	Warrants reserve			
		\$	\$	\$	\$	\$	\$
Balance December 31, 2017	181,871,414	40,455,261	2,486,598	8,246,065	—	(48,070,233)	3,117,691
Options exercised	872,500	117,693	(27,243)	—	—	—	90,450
Warrants exercised	933,224	419,333	—	(279,175)	—	—	140,158
Share-based payments	—	—	245,808	—	—	—	245,808
Comprehensive loss	—	—	—	—	—	(3,668,654)	(3,668,654)
Balance, March 31, 2018	183,677,138	40,992,287	2,705,163	7,966,890	—	(51,738,887)	(74,547)
Balance, December 31, 2016	131,162,407	34,839,323	1,304,771	4,168,258	(208,918)	(35,773,166)	4,330,268
Warrants exercised	7,345,873	1,196,339	—	(334,545)	—	—	861,794
Share-based payments	—	—	138,314	—	—	—	138,314
Comprehensive loss	—	—	—	—	208,918	(3,531,637)	(3,322,719)
Balance, March 31, 2017	138,508,280	36,035,662	1,443,085	3,833,713	—	(39,304,803)	2,007,657

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

Maple Gold Mines Ltd.**Condensed interim statement of cash flow**

Three month period ended March 31, 2018 and 2017

(Unaudited)

(Expressed in Canadian dollars)

	March 31, 2018 (3 months)	March 31, 2017 (3 months)
	\$	\$
Operating activities		
Loss for the period	(3,668,654)	(3,531,637)
Adjustments for		
Amortization	18,458	4,300
Amortization of flow-through share premium	(1,475,434)	—
Share-based payments	245,808	138,314
Loss on sale of marketable securities	—	106,767
Lease inducement	20,759	—
Loss on disposition of property and equipment	15,328	—
Changes in non-cash working capital items		
Sales taxes receivable	(517,672)	(278,665)
Prepaid expenses and deposits	(76,171)	36,778
Accounts payable and accrued liabilities	2,662,628	211,790
Payable to Revenue Quebec	(75,895)	—
	(2,850,845)	(3,312,353)
Investing activities		
Acquisition of property and equipment	(31,269)	(46,137)
Proceeds on sale of marketable securities	—	215,551
	(31,269)	169,414
Financing activities		
Proceeds from option exercise	90,450	—
Proceeds from warrant exercise	140,158	861,794
	230,608	861,794
Net change in cash and cash equivalents	(2,651,506)	(2,281,145)
Cash and cash equivalents, beginning of period	5,905,140	4,734,942
Cash and cash equivalents, end of period	3,253,634	2,453,797

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

Maple Gold Mines Ltd.

Notes to the condensed interim financial statements

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

1. Corporate information

Maple Gold Mines Ltd. (the "Company" or "Maple Gold") is a company domiciled in Canada. Maple Gold was incorporated on June 3, 2010 under the Ontario Business Corporations Act and was continued under the Canada Corporations Act by articles of continuance dated June 22, 2011. The address of the Company's registered office is 250 Place d'Youville, 2e etage, Montreal, Quebec, H2Y 2B6. The Company is primarily involved in the exploration of mineral resources.

The Company's financial statements have been prepared on a going concern basis, which presumes the realization of assets and satisfaction of liabilities in the normal course of business.

For the period ended March 31, 2018, the Company had no operating revenues and incurred a loss of \$4,498,774. At March 31, 2018, the Company had cash and cash equivalents of \$3,253,634 (\$5,905,140 as at December 31, 2017) and working capital deficiency of \$199,302 (working capital of \$2,978,057 in December 31, 2017).

At March 31, 2018, the Company believes that it has adequate resources to maintain its minimum obligations, including general corporate activities, based on its cash position and ability to pursue additional sources of financing, including equity placements.

The Company currently has no source of operating cash flow, and has no assurance that additional funding will be available to it for additional exploration programs at its properties, or to enable the Company to fulfill its obligations under any applicable agreements. The Company's ability to continue as a going concern is dependent on its ability to obtain additional sources of financing (Note 13) to successfully explore and evaluate its mineral properties and, ultimately, to achieve profitable operations. As such, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company's condensed interim financial statements do not reflect adjustments to the carrying values and classification of condensed interim assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments could be material.

2. Basis of presentation

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on May 30, 2018.

(b) Basis of preparation

These condensed interim financial statements have been prepared on a historical cost basis except for marketable securities that have been measured at fair value. The presentation currency is the Canadian dollar; therefore all amounts are presented in Canadian dollars unless otherwise noted.

Certain comparative figures have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results of operations.

Maple Gold Mines Ltd.

Notes to the condensed interim financial statements

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

2. Basis of presentation (continued)

(c) *Critical accounting judgments and estimates*

The preparation of the financial statements in conformity with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates. The Company's critical accounting judgments and estimates were presented in Note 2(c) of the audited annual financial statements for the year ended December 31, 2017 and have been consistently applied in the preparation of these condensed interim financial statements. No new judgments were applied for the periods ended March 31, 2018 and 2017.

(d) *Changes in accounting policies*

Revenue recognition

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2018. There were no material changes as a result of adopting this standard.

Financial instruments

In July 2014, the IASB issued the final version of IFRS 9 – Financial Instruments ("IFRS 9") to replace IAS 39 – Financial Instruments: Recognition and Measurement. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. IFRS 9 also includes a substantially reformed approach to hedge accounting. The standard is effective for annual periods beginning on or after January 1, 2018. There were no material changes as a result of adopting this standard.

Leases

In January 2016, the IASB published a new accounting standard, IFRS 16 – Leases ("IFRS 16") which supersedes IAS 17 – Leases. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted if IFRS 15, has also been applied. The Company is in the process of determining the impact the standard is expected to have on its financial statements.

Maple Gold Mines Ltd.**Notes to the condensed interim financial statements**

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

3. Cash and cash equivalents

	March 31, 2018	December 31, 2017
	\$	\$
Components of cash and cash equivalents		
Cash	995,545	409,492
Cash equivalents	2,258,089	5,495,648
	3,253,634	5,905,140

As at March 31, 2018, the Company had the obligation to pay \$2,127,182 (\$3,780,800 as at December 31, 2017) in exploration expenditures related to flow-through share issuances by December 31, 2018.

4. Sales taxes receivable

	March 31, 2018	December 31, 2017
	\$	\$
Federal	484,879	254,862
Provincial	476,950	189,295
	961,829	444,157

Subsequent to March 31, 2018, the Company received refunds of the sales taxes receivable of \$149,029 and \$94,087 from Federal and Provincial authorities, respectively.

Maple Gold Mines Ltd.

Notes to the condensed interim financial statements

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

5. Douay Gold Project

The accumulated exploration and evaluation expenses, which have been incurred, are as follows:

	March 31, 2018	March 31, 2017
	\$	\$
Acquisition	—	357,500
Camp set up, camp costs and field supplies	884,931	207,744
Drilling, core assaying and logging	2,259,107	1,985,019
Equipment rental and fuel	127,137	—
Engineering	35,109	30,660
Environmental	8,667	36,768
Geology	117,103	72,990
Geophysics	—	56,111
Licences and permits	20,443	33,136
Other exploration support costs	57,917	7,105
Salaries and benefits	462,409	70,427
Share-based payments	25,732	39,096
	3,998,555	2,896,556
Opening accumulated expenses	39,145,599	30,569,579
Closing accumulated expenses	43,144,154	33,466,135

6. Flow-through share premium liability

On June 26, 2017 and July 14, 2017, the Company completed a brokered private placement for gross proceeds of approximately \$6,000,001 through the issuance of 14,634,150 flow-through shares at a price of \$0.47 per flow-through share. The flow-through shares were issued at a premium of \$0.16 per flow-through share, calculated as the difference between the price of a flow-through share and the price of a common share, as tax deductions generated by the eligible expenditures will be passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced. The total flow-through share premium liability related to the 14,634,150 flow-through shares issued is \$2,341,464 and represents the Company's obligation to spend the \$6,000,001 on eligible expenditures which the Company expects to complete during the period ending December 31, 2018. As of March 31, 2018, \$3,872,819 of eligible expenditures has been incurred and paid, \$2,127,182 has been incurred and accrued, and the liability has been amortized accordingly as shown in the table below.

	\$
Balance, December 31, 2017	1,475,434
Amortization of flow-through share premium	(1,475,434)
Balance, March 31, 2018	<u>—</u>

Maple Gold Mines Ltd.

Notes to the condensed interim financial statements

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

7. Payable to Revenu Quebec

Revenu Quebec has conducted audits of the Company's mineral exploration tax credit filings for the 2011 to 2015 tax years. Revenu Quebec has disallowed certain amounts that the Company believes are claimable qualifying expenditures. The Company intends to defend its filing positions and the Company has filed notice of objections with Revenu Quebec's Appeals Division for each of the years 2011 to 2014.

8. Share capital and reserves

(a) Authorized

Unlimited common shares without par value

(b) Stock options

The Company maintains a Rolling Stock Option Plan providing for the issuance of stock options up to 10% of the Company's issued and outstanding common shares at the time of the grant. The Company may grant stock options from time to time to its directors, officers, employees and other service providers. The stock options vest as to 25% on the date of the grant and 25% on each of the next three anniversaries thereafter for a total vesting period of 36 months.

The continuity of the number of stock options issued and outstanding is as follows:

	Number of stock options	Weighted average exercise price
		\$
Outstanding, December 31, 2016	12,410,000	0.20
Granted	6,845,000	0.31
Exercised	(1,515,000)	0.12
Expired	(500,000)	0.40
Cancelled	(1,505,000)	0.23
Outstanding, December 31, 2017	15,735,000	0.24
Granted	300,000	0.30
Exercised	(872,500)	0.10
Cancelled	(425,000)	0.26
Outstanding, March 31, 2018	14,737,500	0.25

Maple Gold Mines Ltd.

Notes to the condensed interim financial statements

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

8. Share capital and reserves (continued)

(b) Stock options (continued)

As at March 31, 2018, the number of stock options outstanding and exercisable was:

Expiry date	Number of options	Exercise price	Outstanding remaining contractual life (years)	Number of options	Exercise price	Exercisable remaining contractual life (years)
		\$			\$	
December 19, 2018	1,110,000	0.12	0.72	1,110,000	0.12	0.72
November 18, 2020	1,447,500	0.10	2.64	1,020,000	0.10	2.64
July 11, 2021	800,000	0.24	3.28	400,000	0.24	3.28
August 30, 2021	400,000	0.24	3.42	200,000	0.24	3.42
November 28, 2021	3,910,000	0.25	3.67	1,955,000	0.25	3.67
March 2, 2022	400,000	0.40	3.92	200,000	0.40	3.92
May 3, 2022	3,300,000	0.30	4.41	825,000	0.30	4.41
August 28, 2022	1,800,000	0.30	4.41	450,000	0.30	4.41
October 10, 2022	1,270,000	0.30	4.53	317,500	0.30	4.53
January 25, 2023	300,000	0.30	4.82	75,000	0.30	4.82
	14,737,500	0.25	3.61	6,552,500	0.22	3.18

The Company uses the fair value method of accounting for all share-based payments to directors, officers, employees and others providing similar services. During the period ended March 31, 2018, an amount of \$245,808 (\$138,314 in March 31, 2017) was expensed as stock based compensation.

The fair values of the share options granted during the three months ended March 31, 2018 and 2017 were estimated using the Black-Scholes option valuation model with the following assumptions:

	March 31, 2018	March 31, 2017
	Option grants	Option grants
Risk-free interest rate	1.77%	1.17%
Expected dividend yield	nil	nil
Stock price volatility	71%	152%
Expected life in years	5	5
Weighted average grant date fair value	\$0.18	\$0.39

The expected volatility assumption is based on the historical and implied volatility of the Company's common shares. The risk-free interest rate assumption is based on the Government of Canada benchmark bond yields and treasury bills with a remaining term that approximates the expected life of the stock options.

Maple Gold Mines Ltd.**Notes to the condensed interim financial statements**

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

8. Share capital and reserves (continued)*(c) Share purchase warrants*

The continuity of the number of share purchase warrants is as follows:

	Warrants outstanding	Exercise price
		\$
Outstanding, December 31, 2016	61,697,730	0.22
Issued	31,387,590	0.40
Exercised	(18,159,857)	0.11
Expired	(3,591)	0.10
Outstanding, December 31, 2017	74,921,872	0.32
Issued	933,224	0.28
Exercised	(933,224)	0.15
Outstanding, March 31, 2018	74,921,872	0.32

As at March 31, 2018, the expiration date on the share purchase warrants outstanding is as follows:

Expiry date	Number of warrants	Exercise price
		\$
July 25, 2019	1,872,500	0.13
November 15, 2019	40,728,558	0.28
November 15, 2019	1,286,664	0.15 ⁽ⁱ⁾
June 27, 2022	23,936,501	0.40
June 27, 2022	7,097,649	0.40
	74,921,872	

- (i) These finders' warrants are exercisable into one common share unit which consists of one common share and one common share warrant. Each common share warrant entitles the holder to purchase one additional common share at an exercise price \$0.28 per share until November 15, 2019.

Maple Gold Mines Ltd.

Notes to the condensed interim financial statements

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

9. General and administrative

	March 31, 2018 (3 months)	March 31, 2017 (3 months)
	\$	\$
Amortization	14,897	4,300
Business development	98,063	62,579
Directors' fees	38,730	—
Office and general	209,549	37,735
Professional fees	69,140	79,858
Regulatory transfer agent and shareholder information	80,916	23,544
Salaries and benefits	213,643	87,437
Share-based payments	220,076	99,218
Travel, marketing and investor relations	203,082	137,027
	1,148,096	531,698

10. Related party balances and transactions

Compensation of key management personnel

During the period, compensation to key management personnel was as follows:

	March 31, 2018 (3 months)	March 31, 2017 (3 months)
	\$	\$
Salaries and benefits	138,500	73,999
Share-based payments	178,622	68,618
	317,122	142,617

11. Segmented information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

Maple Gold Mines Ltd.**Notes to the condensed interim financial statements**

March 31, 2018

(Unaudited)

(Expressed in Canadian dollars, unless otherwise stated)

12. Contingencies

The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. The Company cannot reasonably predict the likelihood or outcome of these actions. The Company does not believe that adverse decisions in any other pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reason thereof, will have a material effect on the financial condition or future results of operations.

13. Subsequent events

On April 11, 2018, the Company closed a non-brokered private placement of 16,458,334 common shares at a price of \$0.24 per common share for gross proceeds of \$3,950,000. In connection with the placement administrative fees of \$187,000 were paid to certain participants.

On May 28, 2018, the Company announced a non-brokered flow through private placement of up to 8,333,333 common shares at a price of \$0.30 per common share for gross proceeds of up to \$2.5 million.