
MANITOU GOLD INC.
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED
JUNE 30, 2018
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed consolidated interim financial statements of Manitou Gold Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

Manitou Gold Inc.**Condensed Consolidated Interim Statements of Financial Position****(Expressed in Canadian Dollars)****Unaudited**

	As at June 30, 2018	As at December 31, 2017
Assets		
Current assets		
Cash	\$ 47,292	\$ 1,081,692
Amounts receivable and other assets (note 3)	173,591	35,830
Total assets	\$ 220,883	\$ 1,117,522
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities (notes 4 and 10)	\$ 157,915	\$ 98,708
Total liabilities	157,915	98,708
Shareholders' equity		
Share capital (note 5)	15,869,601	15,267,415
Warrants (note 6)	298,781	340,467
Contributed surplus (note 7)	385,221	389,721
Deficit	(16,490,635)	(14,978,789)
Total shareholders' equity	62,968	1,018,814
Total shareholders' equity and liabilities	\$ 220,883	\$ 1,117,522

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

Nature of Operations and Going Concern (note 1)

Commitments and Contingencies (note 11)

Subsequent Events (note 13)

Approved on behalf of the Board:

"Richard Murphy" _____ Director (Signed)

"Guy Mahaffy" _____ Director (Signed)

Manitou Gold Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
General and administrative expense				
Exploration and evaluation expenditures (note 9) \$	821,559	\$ 42,350	\$ 1,340,225	\$ 52,679
Option-based payments (note 7)	-	59,186	-	59,186
Office and general (note 10)	69,620	68,628	143,647	137,000
Professional fees (note 10)	23,028	5,986	33,374	14,649
Total general and administrative expense	914,207	176,150	1,517,246	263,514
Loss before interest and other income	(914,207)	(176,150)	(1,517,246)	(263,514)
Other income	-	-	900	-
Net loss and comprehensive loss for the period \$	(914,207)	\$ (176,150)	\$ (1,516,346)	\$ (263,514)
Net loss and comprehensive loss per share - basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.02)	\$ (0.00)
Weighted average number of shares outstanding - basic and diluted (note 8)	81,346,019	62,372,411	78,962,909	62,372,411

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

Manitou Gold Inc.**Condensed Consolidated Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****Unaudited**

	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
Operating activities		
Net loss for the period	\$ (1,516,346)	\$ (263,514)
Adjustments for:		
Option-based payments (note 7)	-	59,186
Shares issued on acquisition of property rights (note 9)	440,000	-
Changes in non-cash working capital items:		
Amounts receivable and other assets	(137,761)	(5,184)
Amounts payable and other liabilities	59,207	7,504
Net cash used in operating activities	(1,154,900)	(202,008)
Financing activities		
Warrants exercised (note 6)	120,500	-
Net cash provided by financing activities	120,500	-
Net change in cash	(1,034,400)	(202,008)
Cash, beginning of period	1,081,692	332,641
Cash, end of period	\$ 47,292	\$ 130,633

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

Manitou Gold Inc.**Condensed Consolidated Interim Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****Unaudited**

Equity attributable to shareholders

	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance, December 31, 2016	\$ 13,971,792	\$ 188,353	\$ 106,500	\$ (13,947,661)	\$ 318,984
Expiration of options	-	-	(102,000)	102,000	-
Option-based payments (note 7)	-	-	59,186	-	59,186
Net loss for the period	-	-	-	(263,514)	(263,514)
Balance, June 30, 2017	\$ 13,971,792	\$ 188,353	\$ 63,686	\$ (14,109,175)	\$ 114,656
Balance, December 31, 2017	\$ 15,267,415	\$ 340,467	\$ 389,721	\$ (14,978,789)	\$ 1,018,814
Acquisition cost (note 9)	440,000	-	-	-	440,000
Warrants exercised (note 6)	162,186	(41,686)	-	-	120,500
Stock options expired (note 7)	-	-	(4,500)	4,500	-
Net loss for the period	-	-	-	(1,516,346)	(1,516,346)
Balance, June 30, 2018	\$ 15,869,601	\$ 298,781	\$ 385,221	\$ (16,490,635)	\$ 62,968

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

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

1. Nature of Operations and Going Concern

Manitou Gold Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) and is engaged in the business of locating and exploring mineral properties. Substantially all of the efforts of the Company are devoted to these business activities. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's registered office is located at The Canadian Venture Building, 82 Richmond St East, Toronto, Ontario, M5C 1P1.

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

The Company is at an exploration stage and as is common with many exploration companies, it raises financing for its exploration and acquisition activities. The Company has incurred losses in previous periods, with a current net loss of \$1,516,346 for the six months ended June 30, 2018 (six months ended June 30, 2017 - loss of \$263,514) and has an accumulated deficit of \$16,490,635 as at June 30, 2018 (December 31, 2017 - \$14,978,789). The Company had working capital of \$62,968 at June 30, 2018 (December 31, 2017 - \$1,018,814).

However, the existing funds may not be sufficient to explore potential exploration project acquisitions and in due course, further funding will be required. In the event that the Company is unable to secure further financing it may not be able to complete the development of its projects. See note 13(ii).

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 operations 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 and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts and political uncertainty.

Due to continuing operating losses and limited working capital, the Company's ability to continue as a going concern is dependent on its ability to obtain additional sources of financing to successfully explore, evaluate and develop mineral projects and ultimately, to achieve profitable operations. The success of these endeavours cannot be predicted at this time. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The unaudited condensed consolidated interim financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments may be material.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

2. Significant Accounting Policies

Statement of Compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee. These unaudited condensed consolidated 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.

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRS issued and outstanding as of August 22, 2018, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended December 31, 2017, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2018 could result in restatement of these unaudited condensed consolidated interim financial statements. These adjustments could be material.

Changes in Accounting Policy

IFRS 9 - Financial Instruments ("IFRS 9")

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

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

The new hedge accounting guidance had no impact on the Company's consolidated financial statements.

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

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

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

2. Significant Accounting Policies (continued)

Changes in accounting policy (continued)

IFRS 9 - Financial Instruments ("IFRS 9") (continued)

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

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value, and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

Classification and Measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

- i. those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and
- ii. those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial liabilities are classified and measured at either:

- i. amortized cost;
- ii. FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or,
- iii. FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at fair value through profit or loss are expensed in profit or loss.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

2. Significant Accounting Policies (continued)

Changes in accounting policy (continued)

IFRS 9 - Financial Instruments ("IFRS 9") (continued)

Classification and Measurement (continued)

The Company's financial asset consists of cash, which is classified as subsequently measured at amortized cost, and cash equivalents, which is classified and measured at FVTPL, with realized and unrealized gains or losses related to changes in fair value reported in net loss. The Company's financial liabilities consist of accounts payable and accrued liabilities, which are classified and measured at amortized cost using the effective interest method. Interest expense is reported in net loss.

Impairment

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

Recent Accounting Pronouncements

IFRIC 23 – Uncertainty Over Income Tax Treatments ("IFRIC 23") was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted. The Company is currently assessing the impact of this pronouncement.

3. Amounts Receivable and Other Assets

	As at June 30, 2018	As at December 31, 2017
Sales tax receivable - (Canada)	\$ 15,467	\$ 26,054
Prepaid expenses	15,124	9,776
Exploration rebate receivable - Junior Exploration Assistance Program	143,000	-
Total	\$ 173,591	\$ 35,830

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

4. Amounts Payable and Other Liabilities

	As at June 30, 2018	As at December 31, 2017
Falling due within the period		
Trade payables	\$ 136,439	\$ 82,928
Accrued liabilities	21,476	15,780
Total	\$ 157,915	\$ 98,708

5. Share Capital

(a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Common shares issued

At June 30, 2018, the issued share capital amounted to \$15,869,601. The changes in issued share capital for the periods presented were as follows:

	Number of Shares	Amount
Balance at December 31, 2016 and June 30, 2017	62,372,411	\$ 13,971,792
Balance at December 31, 2017	76,288,876	\$ 15,267,415
Acquisition cost (note 9)	4,000,000	440,000
Warrants exercised	1,700,000	162,186
Balance at June 30, 2018	81,988,876	\$ 15,869,601

6. Warrants

The following table reflects the continuity of warrants for the periods ended June 30, 2018 and 2017:

	Number of Warrants	Weighted Average Exercise Price
Balance at December 31, 2016 and June 30, 2017	7,700,000	\$ 0.07
Balance at December 31, 2017	10,765,333	\$ 0.09
Warrants exercised	(1,700,000)	0.07
Balance at June 30, 2018	9,065,333	\$ 0.10

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

6. Warrants (continued)

The Company had the following warrants outstanding at June 30, 2018:

Number of Warrants	Weighted Average Exercise Price	Expiry Date
5,200,000	\$0.075	July 29, 2018
3,382,000	0.13	July 21, 2019
250,000	0.085	September 18, 2019
233,333	0.15	December 28, 2019
9,065,333	\$0.10	

7. Stock Options

The Company has a formal stock option plan (the "Plan"). At the annual and special meeting held on June 20, 2018, the Company passed a resolution amending the existing stock option plan of the Company to provide for the issuance thereunder of such number of common shares of the Company as is equal to 10% of the aggregate number of common shares of the Company issued and outstanding from time to time. As at June 30, 2018, the Company has 2,248,888 options available for issuance. The following table reflects the continuity of stock options for the periods ended June 30, 2018 and 2017:

	Number of Options	Weighted Average Exercise Price
Balance at December 31, 2016	4,250,000	\$ 0.10
Stock options granted (i)	1,000,000	0.10
Stock options expired	(4,000,000)	0.10
Balance at June 30, 2017	1,250,000	\$ 0.10
Balance at December 31, 2017	6,200,000	\$ 0.10
Stock options expired	(250,000)	0.10
Balance at June 30, 2018	5,950,000	\$ 0.10

(i) On April 9, 2017, the Company granted 1,000,000 stock options to an officer of the Company exercisable at a price of \$0.10 per common share. The options vest immediately and expire in two years. The grant date fair value of \$59,186 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: share price of \$0.08, expected dividend yield of 0%, expected volatility of 168% which is based on historical volatility of the Company's share price, risk-free rate of return of 0.76% and an expected maturity of 2 years. For the three and six months ended June 30, 2018, \$nil was expensed to option-based payments (three and six months ended June 30, 2017 - \$59,186).

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

7. Stock Options (continued)

The Company had the following stock options outstanding as of June 30, 2018:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Expiry Date
1,000,000	1,000,000	0.10	0.78	April 9, 2019
4,950,000	4,950,000	0.10	1.02	July 7, 2019
5,950,000	5,950,000	0.10	0.98	

8. Net Loss per Common Share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2018 was based on the loss attributable to common shares of \$914,207 and \$1,516,346, respectively (three and six months ended June 30, 2017 - loss of \$176,150 and \$263,514, respectively) and the weighted average number of common shares outstanding of 81,346,019 and 78,962,909 (three and six months ended June 30, 2017 - 62,372,411) for basic and diluted loss per share. Diluted loss per share did not include the effect of warrants and options for the three and six months ended June 30, 2018 and three and six months ended June 30, 2017, as they are anti-dilutive.

9. Exploration and Evaluation Expenditures

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
Kenwest	\$ 25,170	\$ 42,350	\$ 420,387	\$ 52,679
Goudreau	143,221	-	266,498	-
Gaffney	168	-	340	-
Rockstar (i)	653,000	-	653,000	-
	\$ 821,559	\$ 42,350	\$ 1,340,225	\$ 52,679

For details on the exploration and evaluation expenditures see the attached schedules at the end of these statements.

(i) On March 20, 2018, the Company entered into a binding purchase agreement with Argo Gold Inc. (the "Vendor") to purchase the property known as the "Rockstar" Property, comprised of 16 unpatented mining claims located in Jacobson and Riggs Townships, Ontario (collectively, the "Rockstar Property"). On April 4, 2018, as a consideration for the acquisition of a 100% interest in the Rockstar Property, the Company made a cash payment of \$200,000 and issued an aggregate of 4,000,000 common shares to the Vendor valued at \$440,000 at \$0.11 per share. In addition, the Company has granted a 1% NSR to the Vendor at closing, one-half of which may be purchased by the Company for \$500,000. The Property is also subject to an existing 2% NSR in favour of a third party, one-half of which may be purchased by the Company for \$1,000,000. All securities issued in connection with the acquisition are subject to a statutory hold period expiring on August 5, 2018.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

10. Related Party Balances and Transactions

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The noted transactions below are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

During the three and six months ended June 30, 2018, the Company paid professional fees and disbursements of \$18,778 and \$34,806, respectively (three and six months ended June 30, 2017 - \$14,028 and \$30,294, respectively) to Marrelli Support Services Inc., ("Marrelli Support"), DSA Corporate Services Inc. ("DSA Corp") and DSA Filing Services Limited ("DSA Filing"), together known as the "Marrelli Group", for:

- (i) Carmelo Marrelli, President of the Marrelli Group, to act as the Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping services;
- (iii) Regulatory filing services; and
- (iv) Corporate secretarial services.

These services were incurred in the normal course of operations for general accounting and financial reporting matters. As at June 30, 2018, the Marrelli Group was owed \$3,094 (December 31, 2017 - \$5,840).

Salaries paid to key management personnel for the three and six months ended June 30, 2018 totaled \$82,692 and \$156,396, respectively (three and six months ended June 30, 2017 - \$55,227 and \$86,551, respectively). Option-based payments to key management personnel for the three and six months ended June 30, 2018 totaled \$nil (three and six months ended June 30, 2017 - \$59,186). Key management personnel are comprised of the Company's Chief Executive Officer ("CEO"), the President and the Company's CFO. As at June 30, 2018, key management personnel (excluding the CFO) were owed \$nil (December 31, 2017 - \$nil). The Board of Directors do not have employment or service contracts with the Company. Directors and officers are entitled to stock options for their services.

To the knowledge of the directors and officers of the Company, as at June 30, 2018 and December 31, 2017, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all the common shares of the Company.

See note 11 for details regarding change of control provisions with related parties.

11. Commitments and Contingencies

In the ordinary course of business activities, the Company may be contingently liable for litigation and claims with government agencies, suppliers, consultants, and former employees. Management believes that adequate provisions have been recorded in the accounts where required.

Environmental Contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars)

Unaudited

11. Commitments and Contingencies (continued)

Employment Agreement

Pursuant to an executive employment agreement with the CEO, in the event of termination, the CEO is entitled to 12 months' base salary plus a further month's salary for each completed year of service since May 1, 2015. In the event of termination, the CEO is entitled to receive payment of \$210,000. In the event of a change of control of the Company, the CEO is entitled to receive a payment equal to 24 months' base salary in the sum of \$360,000.

Pursuant to an executive employment agreement with the President, in the event of termination, the President is entitled to three months base salary. In the event of termination, the President is entitled to receive payment of \$22,500. In the event of a change of control of the Company, the President is entitled to receive a payment equal to 12 months' base salary in the sum of \$90,000.

Flow Through Expenditures

As of June 30, 2018, the Company is committed to incurring approximately \$nil in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2018, arising from the flow-through offerings. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.

12. 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 unaudited condensed consolidated interim financial statements also represent segment amounts.

13. Subsequent Events

(i) On July 29, 2018, 5,200,000 warrants with an exercise price of \$0.075 expired unexercised.

(ii) On July 31, 2018, the Company closed a non-brokered private placement (the "Offering") pursuant to which it has issued an aggregate of 17,255,000 units ("Units") at a price of \$0.08 per Unit to raise aggregate gross proceeds of \$1,380,400. Each Unit consists of one common share of the Company and one-half of one share purchase warrant (each whole such share purchase warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one additional common share of the Company at \$0.15 until July 31, 2021. Insiders of the Company subscribed for an aggregate of 425,000 Units in the Offering.

In connection with the Offering, the Company also issued an aggregate of 100,800 finder's units ("Finder's Units") and 100,800 broker warrants ("Broker Warrants") to certain eligible finder's assisting in the Offering. The Finder's Units bear the same terms and conditions as the Units. Each Broker Warrant entitles the holder thereof to acquire one Unit at an exercise price of \$0.08 until July 31, 2021.

All of the securities issued and issuable in the Offering are subject to a statutory hold period expiring on December 1, 2018.

Manitou Gold Inc.

Condensed Consolidated Interim Schedule of Exploration and Evaluation Expenditures

(Expressed in Canadian Dollars)

Six Months Ended June 30, 2018

Unaudited

	Rockstar	Gaffney	Goudreau	Kenwest	Total
Acquisition costs					
Cash payment (note 9)	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Share issuances (note 9)	440,000	-	-	-	440,000
Property taxes/carrying costs	-	340	-	3,307	3,647
	640,000	340	-	3,307	643,647
Exploration expenditures					
Analysis and lab work	-	-	62,943	44,298	107,241
Claim staking	-	-	5,460	-	5,460
Consultants	-	-	300	23,700	24,000
Drilling	-	-	-	284,781	284,781
Field preparation	-	-	107,224	-	107,224
Field supplies and consumables	-	-	6,484	8,960	15,444
First Nation's carrying costs	13,000	-	-	-	13,000
Line cutting	-	-	11,648	-	11,648
Mine engineering	-	-	-	111,196	111,196
Travel and accommodation	-	-	21,087	9,649	30,736
Wages and benefits	-	-	94,352	34,496	128,848
Exploration rebate	-	-	(43,000)	(100,000)	(143,000)
	13,000	-	266,498	417,080	696,578
Total exploration and evaluation expenditures	\$ 653,000	\$ 340	\$ 266,498	\$ 420,387	\$ 1,340,225

Manitou Gold Inc.

Condensed Consolidated Interim Schedule of Exploration and Evaluation Expenditures (Continued)

(Expressed in Canadian Dollars)

Three Months Ended June 30, 2018

Unaudited

	Rockstar	Gaffney	Goudreau	Kenwest	Total
Acquisition costs					
Cash payment (note 9)	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Share issuances (note 9)	440,000	-	-	-	440,000
Property taxes/carrying costs	-	168	-	413	581
	640,000	168	-	413	640,581
Exploration expenditures					
Analysis and lab work	-	-	(59)	(17,541)	(17,600)
Drilling	-	-	-	6,496	6,496
Field preparation	-	-	60,954	-	60,954
Field supplies and consumables	-	-	5,424	5,666	11,090
First Nation's carrying costs	13,000	-	-	-	13,000
Line cutting	-	-	48	-	48
Mine engineering	-	-	-	21,891	21,891
Travel and accommodation	-	-	15,040	631	15,671
Wages and benefits	-	-	61,814	7,614	69,428
	13,000	-	143,221	24,757	180,978
Total exploration and evaluation expenditures	\$ 653,000	\$ 168	\$ 143,221	\$ 25,170	\$ 821,559

Manitou Gold Inc.**Condensed Consolidated Interim Schedule of Exploration and Evaluation Expenditures****(Expressed in Canadian Dollars)****Six Months Ended June 30, 2017****Unaudited**

	Kenwest
Acquisition costs	
Property taxes	\$ 3,445
Exploration expenditures	
Consultants	15,498
Field supplies and consumables	3,267
Travel and accommodation	7,853
Wages and benefits	22,616
	49,234
Total exploration and evaluation expenditures	\$ 52,679

Manitou Gold Inc.**Condensed Consolidated Interim Schedule of Exploration and Evaluation Expenditures (Continued)****(Expressed in Canadian Dollars)****Three Months Ended June 30, 2017****Unaudited**

Acquisition costs	
Property taxes	\$ 653
Exploration expenditures	
Consultants	9,748
Field supplies and consumables	3,067
Travel and accommodation	7,410
Wages and benefits	21,472
	41,697
Total exploration and evaluation expenditures	\$ 42,350
