MANITOU GOLD INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 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 March 31, 2018		As at December 31, 2017
Assets				
Current assets				
Cash	**$**	**334,127**	$	1,081,692
Amounts receivable and other assets (note 3)		**248,119**		35,830
Total assets	**$**	**582,246**	$	1,117,522
Liabilities and Shareholders' Equity				
Current liabilities				
Accounts payable and accrued liabilities (notes 4 and 10)	**$**	**139,321**	$	98,708
Total liabilities		**139,321**		98,708
Shareholders' equity				
Share capital (note 5)		**15,302,221**		15,267,415
Warrants (note 6)		**331,911**		340,467
Contributed surplus (note 7)		**385,221**		389,721
Deficit		**(15,576,428)**		(14,978,789)
Total shareholders' equity		**442,925**		1,018,814
Total shareholders' equity and liabilities	**$**	**582,246**	$	1,117,522

The accompanying notes to the unaudited condensed consolidated interimfinancial 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 March 31, 2018	Three Months Ended March 31, 2017
General and administrative expense		
Exploration and evaluation expenditures (note 9)	**$ 518,666**	$ 10,329
Office and general (note 10)	**74,027**	68,372
Professional fees (note 10)	**10,346**	8,663
Total general and administrative expense	**603,039**	87,364
Loss before interest and other income	**(603,039)**	(87,364)
Other income	**900**	-
Net loss and comprehensive loss for the period	**$ (602,139)**	$ (87,364)
Net loss and comprehensive loss per share - basic and diluted	**$ (0.01)**	$ (0.00)
Weighted average number of shares outstanding - basic and diluted (note 8)	**76,553,320**	62,372,411

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

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

	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017
Operating activities		
Net loss for the period	**$ (602,139)**	$ (87,364)
Adjustments for:		
Changes in non-cash working capital items:		
Amounts receivable and other assets	**(212,289)**	(13,349)
Amounts payable and other liabilities	**40,613**	5,944
Net cash used in operating activities	**(773,815)**	(94,769)
Financing activities		
Warrants exercised (note 6)	**26,250**	-
Net cash provided by financing activities	**26,250**	-
Net change in cash	**(747,565)**	(94,769)
Cash, beginning of period	**1,081,692**	332,641
Cash, end of period	**$ 334,127**	$ 237,872

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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**
Net loss for the period	-	-	-	(87,364)	(87,364)
Balance, March 31, 2017	**$ 13,971,792**	**$ 188,353**	**$ 106,500**	**$ (14,035,025)**	**$ 231,620**
Balance, December 31, 2017	**$ 15,267,415**	**$ 340,467**	**$ 389,721**	**$ (14,978,789)**	**$ 1,018,814**
Warrants exercised (note 6)	34,806	(8,556)	-	-	26,250
Stock options expired (note 7)	-	-	(4,500)	4,500	-
Net loss for the period	-	-	-	(602,139)	(602,139)
Balance, March 31, 2018	**$ 15,302,221**	**$ 331,911**	**$ 385,221**	**$ (15,576,428)**	**$ 442,925**

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

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 interimfinancial 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 $602,139 for the three months ended March 31, 2018 (three months ended March 31, 2017 - loss of $87,364) and has an accumulated deficit of $15,576,428 as at March 31, 2018 (December 31, 2017 - $14,978,789). The Company had working capital of $442,925 at March 31, 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.

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.

Purchase of Rockstar Property

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 "Property"). As a consideration for the acquisition of a 100% interest in the Property, the Company made a cash payment of $200,000 and issued an aggregate of 4,000,000 common shares to the Vendor subsequent to March 31, 2018 (see note 13). 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 vendor for $1,000,000. All securities issued in connection with the acquisition are subject to a statutory hold period expiring on August 5, 2018.

(Expressed in Canadian Dollars)

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 May 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

<u>IFRS 9 - Financial Instruments ("IFRS 9")</u>

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

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:

2. Significant accounting policies (continued)

Changes in Accounting Policy (continued)

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

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.

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.

(Expressed in Canadian Dollars)

3. Amounts Receivable and Other Assets

	As at March 31, 2018	As at December 31, 2017
Sales tax receivable - (Canada)	**$ 82,467**	$ 26,054
Prepaid expenses	**22,652**	9,776
Exploration rebate receivable - Junior Exploration Assistance Program	**143,000**	-
Total	**$ 248,119**	$ 35,830

4. Amounts Payable and Other Liabilities

	As at March 31, 2018	As at December 31, 2017
Falling due within the period		
Trade payables	**$ 133,735**	$ 82,928
Accrued liabilities	**5,586**	15,780
Total	**$ 139,321**	$ 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 March 31, 2018, the issued share capital amounted to $15,302,221. The changes in issued share capital for the periods presented were as follows:

	Number of Shares	Amount
Balance at December 31, 2016 and March 31, 2017	**62,372,411**	**$ 13,971,792**
Balance at December 31, 2017	**76,288,876**	**$ 15,267,415**
Warrants exercised	350,000	34,806
Balance at March 31, 2018	**76,638,876**	**$ 15,302,221**

(Expressed in Canadian Dollars)

6. Warrants

The following table reflects the continuity of warrants for the periods ended March 31, 2018 and 2017:

	Number of Warrants	Weighted Average Exercise Price
Balance at December 31, 2016 and March 31, 2017	**7,700,000**	**$ 0.07**
Balance at December 31, 2017	**10,765,333**	**$ 0.09**
Warrants exercised	(350,000)	0.08
Balance at March 31, 2018	**10,415,333**	**$ 0.09**

The Company had the following warrants outstanding at March 31, 2018:

Number of Warrants	Weighted Average Exercise Price	Expiry Date
6,200,000	$0.075	July 29, 2018
350,000 (i)	0.055	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
10,415,333	**$0.09**	

(i) exercisable into a unit, comprised of one common share and one purchase warrant exercisable at $0.075 until July 29, 2018.

7. Stock Options

The Company has a formal stock option plan (the "Plan"). At the annual and special meeting held on July 13, 2017, 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 March 31, 2018, the Company has 1,713,888 options available for issuance. The following table reflects the continuity of stock options for the periods ended March 31, 2018 and 2017:

	Number of Options	Weighted Average Exercise Price
Balance at December 31, 2016 and March 31, 2017	**4,250,000**	**$ 0.10**
Balance at December 31, 2017	**6,200,000**	**$ 0.10**
Stock options expired	(250,000)	0.10
Balance at March 31, 2018	**5,950,000**	**$ 0.10**

(Expressed in Canadian Dollars)

7. Stock Options (continued)

The Company had the following stock options outstanding as of March 31, 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	1.02	April 9, 2019
4,950,000	4,950,000	0.10	1.27	July 7, 2019
5,950,000	5,950,000	0.10	1.23	

8. Net Loss per Common Share

The calculation of basic and diluted loss per share for the three months ended March 31, 2018 was based on the loss attributable to common shares of $602,139 (three months ended March 31, 2017 - loss of $87,364) and the weighted average number of common shares outstanding of 76,553,320 (three months ended March 31, 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 months ended March 31, 2018 and three months ended March 31, 2017, as they are anti-dilutive.

9. Exploration and Evaluation Expenditures

	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017
Kenwest	**$ 395,217**	$ 10,329
Goudreau	**123,277**	-
Gaffney	**172**	-
	$ 518,666	$ 10,329

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

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 months ended March 31, 2018, the Company paid professional fees and disbursements of $16,028 (three months ended March 31, 2017 - $16,266) to Marrelli Support Services Inc., (“Marrelli Support”), DSA Corporate Services Inc. ("DSA Corp") and DSA Filing Services Limited ("DSA Filling"), together known as the "Marrelli Group", for:

(i) Carmelo Marrelli, President of Marrelli Group, to act as the 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 March 31, 2018, the Marrelli Group was owed $6,836 (December 31, 2017 - $5,840).

Salaries paid to key management personnel for the three months ended March 31, 2018 totaled $62,308 (three months ended March 31, 2017 - $21,000). Option-based payments to key management personnel for the three months ended March 31, 2018 totaled $nil (three months ended March 31, 2017 - $nil). Key management personnel are comprised of the Company’s Chief Executive Officer ("CEO"), the President and the Company’s CFO. As at March 31, 2018, key management personnel 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 March 31, 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.

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

In connection with the flow-through share financing that closed during the year ended December 31, 2017, the Company has committed to incur qualifying Canadian exploration expenditures of $780,000 by December 31, 2018. 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

On April 4, 2018, as a part of the binding purchase agreement with the Vendor to purchase the property known as the "Rockstar" Property, the Company made a cash payment of $200,000 and issued an aggregate of 4,000,000 common shares valued at $0.11/share.

On May 7, 2018, 1,000,000 warrants were exercised at an exercise price of $0.075. Accordingly, the Company issued 1,000,000 shares and received proceeds of $75,000.

Manitou Gold Inc.

Condensed Consolidated Interim Schedule of Exploration and Evaluation Expenditures
(Expressed in Canadian Dollars)
Three Months Ended March 31, 2018
Unaudited

	Gaffney	Goudreau	Kenwest	Total
Acquisition costs				
Property taxes	$ 172	$ -	$ 2,894	**$ 3,066**
Exploration expenditures				
Analysis and lab work	-	63,002	61,839	**124,841**
Claim staking	-	5,460	-	**5,460**
Consultants	-	300	23,700	**24,000**
Drilling	-	-	278,285	**278,285**
Field preparation	-	46,270	-	**46,270**
Field supplies and consumables	-	1,060	3,294	**4,354**
Line cutting	-	11,600	-	**11,600**
Mine engineering	-	-	89,305	**89,305**
Travel and accommodation	-	6,047	9,018	**15,065**
Wages and benefits	-	32,538	26,882	**59,420**
Exploration rebate	-	(43,000)	(100,000)	**(143,000)**
	-	123,277	392,323	**515,600**
Total exploration and evaluation expenditures	$ 172	$ 123,277	$ 395,217	**$ 518,666**